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REGIONAL RESOURCE STEWARDSHIP COUNCIL

OCTOBER 24, 2002

DOWNTOWN RADISSON
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22

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23

MR. TOM VORHOLT

24

MR. ED WILLIAMS

1 MR. BRUCE SHUPP: Take a seat, please.

2 All right. Good morning. The administrative
3 announcement, if you can call it that, I have this
4 morning is I want to remind everybody, yesterday the
5 question came up about a briefing on the River
6 Operation Study, and I do want to remind everybody,
7 we have got four members of the Stewardship Council
8 that are serving on that, and if anybody -- those
9 people are Miles, Tom Vorholt, Greer, and Austin, who
10 is not here this morning, but if anybody has
11 questions, they're attending as the advisors on that
12 study and I'm sure they would be glad to answer any
13 questions.

14 Also, in your folders is the report --
15 is the report on the study, I'm sure you have all
16 seen that. So there is information available. And
17 I'm sure we can have -- yes, Miles.

18 MS. MILES MENNELL: I think, Bruce, it
19 would be great if we could have just a brief
20 presentation at our next meeting from David Nye just
21 to update the folks about what's going on in that
22 meeting on the River Operations Study.

23 MR. BRUCE SHUPP: That's okay with me.
24 Kate.

DR. KATE JACKSON: My preference would

1 be to set up a separate meeting for anybody that's
2 interested, any council member and have a group
3 meeting that way, so that we can focus on the
4 things -- other things that need to be -- but if
5 that's not acceptable, tell me.

6 DR. PAUL TEAGUE: That just means
7 another trip.

8 MR. TOM VORHOLT: It means another
9 trip.

10 DR. KATE JACKSON: Well, we could do
11 it right before. We could do it in conjunction with
12 it, not after it.

13 MR. GREER TIDWELL: Kate, would you
14 feel better if it was one of the four of us or all
15 four of us in a tag team show, 15, 20 minutes?

16 DR. KATE JACKSON: No, I have no
17 problem. I just want us to focus on -- as you can
18 see, we have got real issues we want you to focus on
19 while you're here. So my preference would be to have
20 that as an add-on, anybody that's interested attend.
21 It's not the issue that I don't want Dave to come. I
22 am perfectly comfortable to have Dave come and talk
23 to everybody.

24 MR. BRUCE SHUPP: It's not an EIS

25 issue then worrying about --

1 DR. KATE JACKSON: No. No. No. And
2 if you want it at the next meeting, that's okay. My
3 suggestion might be to think about waiting until the
4 draft of our Environmental Impact Statement is almost
5 ready so that you can really talk about the
6 alternatives and how they are being evaluated. Those
7 of you who are on the public review group --

8 MR. BRUCE SHUPP: How about a lunch or
9 dinner briefing?

10 DR. KATE JACKSON: For you public
11 review members, I would suggest something like Mike
12 Eads does for the flood control analysis, the flood
13 analysis, kind of a dinner briefing the night before
14 the Council meeting starts the next day.

15 MR. PAUL TEAGUE: Well, as long as
16 it's in conjunction with one of our meetings, it's
17 acceptable to me, but not as a --

18 DR. KATE JACKSON: Okay.

19 MR. BRUCE SHUPP: I think doing it at
20 a lunch or a dinner would be -- like last night we
21 could have easily done that. There was plenty of
22 time. It was a relaxed atmosphere. It would have
23 been very good.

24 Okay. One other thing that I thought

25 of after reading the newspaper this morning and

1 seeing that there was a reporter here yesterday and
2 that people were quoted, I think it would be a good
3 idea to review the policy we developed early on in
4 the first Council about talking to the media. And I
5 don't even remember exactly what that was, but I have
6 Sandy looking it up and she will be -- at the end of
7 the meeting we will go over that. It wasn't a very
8 stringent policy. I think it's something like we can
9 all speak for ourselves but we can't state official
10 Council positions on things, but we will bring it up
11 and look at it, because I don't remember what it was.

12 Anything else before we get started
13 this morning? Does anybody have anything?

14 Greer.

15 MR. GREER TIDWELL: Bruce, I hate
16 to --

17 MR. PAUL TEAGUE: It wasn't an
18 interview. She just picked up on what was going on
19 at this table. So that doesn't apply.

20 MR. BRUCE SHUPP: I'm not trying to
21 say anything was done wrong. I just said I thought
22 that rang a bell.

23 MR. PAUL TEAGUE: Basically the rules
24 is what you said.

MR. BRUCE SHUPP: Pardon me?

1 DR. PAUL TEAGUE: The rules, what we
2 established last time, was just what we said, we
3 could speak for ourselves but no one could speak for
4 the Council except you.

5 MR. BRUCE SHUPP: Well, the chair or
6 TVA.

7 DR. PAUL TEAGUE: Well, you being the
8 chair.

9 MR. BRUCE SHUPP: All I was trying to
10 say was I want to bring that out. We have four new
11 members and I thought we should bring that out and
12 talk about it.

13 Jackie.

14 MS. JACKIE SHELTON: I apologize if it
15 was any inconvenience to the Council. I wasn't even
16 aware of who I was talking to. It was just a lady
17 who came up. She did identify herself later.
18 However, what I said was nothing -- only my personal
19 opinion.

20 MR. BRUCE SHUPP: There was nothing
21 wrong. I didn't mean anything by it. It was just
22 that I thought we should review it because there's
23 four new members.

24 MS. JACKIE SHELTON: I was just a

25 little taken off guard, quite frankly, but at least

1 the quote wasn't -- sometimes when a person is quoted
2 you get very, very concerned.

3 MR. BRUCE SHUPP: No harm done.
4 Anything else? Okay. Dave is going to go over the
5 agenda and then get started with a discussion of the
6 questions.

7 FACILITATOR DAVE WAHUS: Starting in
8 just a few minutes, we will start a little bit early,
9 we will start working on discussion on the questions.
10 Following the break we will work on the last
11 question. At 11:00 to 12:00 we'll have public
12 comments, and I understand we have five or six or
13 seven people have already signed up to speak. I'm
14 sure we will have more before 11:00. Lunch at noon,
15 at 12:00.

16 And then at 1:00 we will come back and
17 we will review the responses to the tentative
18 responses to the questions. You will have had an
19 opportunity to listen to the public comments and you
20 will have an opportunity to review or to make any
21 modifications or changes or reaffirm the response.

22 You do all have on your desk in front
23 of you a copy of the notes that Laura took upon the
24 screen yesterday afternoon. And at the end you will

25 see the summary of -- that we came to -- that you

1 came to.

2 Following the confirmation of the
3 responses to the questions, there will be a
4 presentation on the recommendations from the first
5 term Council, and then following any miscellaneous
6 business, the Council is scheduled to adjourn about
7 3:00. We can probably stay longer if there are
8 strong feelings but -- okay.

9 Yesterday afternoon we talked about --
10 we spent about two hours on question No. 1, and we
11 had some very interesting discussion and were -- you
12 had agreed earlier -- early on before we started that
13 we would spend two hours on the first question, we
14 did. You said about one hour on question 2A and then
15 another hour on question 3. So let's go into 2A.
16 Put this over here so you can see this question.

17 Can everybody see the question?

18 I put the question up here on the
19 board so that you can keep it in mind as we have this
20 discussion so we don't start -- it will keep us more
21 on subject hopefully.

22 The question is: The TVA Act
23 authorizes the TVA Board to hold public lands in
24 trust for multiple purposes, including generating and

25 transmitting electricity, economic development,

1 recreation, and natural resource management. How
2 should TVA quantify the contributions of its
3 management of multipurpose land in the watershed?
4 Tough question. How should TVA quantify the
5 contributions of its management of multipurpose land
6 in the watershed?

7 MR. GREER TIDWELL: I will start us
8 off by going back to where we ended up yesterday,
9 which would be that private residential development
10 would be quantified at the either zero or at least
11 lowest end of whatever scale there is. We'll get
12 right back into it.

13 FACILITATOR DAVE WAHUS: So you're
14 suggesting that the residential land be the lowest
15 priority?

16 MR. GREER TIDWELL: Yes.

17 FACILITATOR DAVE WAHUS: Let me go to
18 TVA and ask, are you looking here for some kind of
19 quantification or value so you can -- you can compare
20 the contributions of power generation with the
21 contributions of recreation with the contributions of
22 economic development so that you can -- so when you
23 do some trade-offs you can see -- get a comparing
24 apples-with-apples type of approach so you can

25 determine what your final decision should be based on

1 the contributions of each?

2 DR. KATE JACKSON: Yes.

3 FACILITATOR DAVE WAHUS: I shouldn't
4 have asked.

5 DR. KATE JACKSON: You asked a yes or
6 no question.

7 DR. STEPHEN SMITH: David.

8 FACILITATOR DAVE WAHUS: Yes.

9 DR. STEPHEN SMITH: I'm a little
10 concerned about this question. And Kate, maybe you
11 can help us understand a little bit more. And I
12 don't know if I have all the acronyms right, but I
13 know that at some point in the past I think you have
14 talked to us a little bit about performance targets,
15 that federal agencies were doing performance targets
16 that TVA was looking at. I think the term is GEPRO
17 (sic) or GIPRO (sic) or whatever where you try to
18 quantify certain attributes, and this, that, and the
19 other.

20 It might be valuable to help us
21 understand how you're going to use this
22 quantification because, you know, while there are
23 lots of people that only see the world through an
24 economic lens, there are things that do not fit

25 cleanly into an economic lens.

1 And a paradigm to say that the only
2 value there is something you can put into dollar
3 signs, I think, is short-sided. And I'm not implying
4 that you guys -- because I know you use other metrics
5 and quantifications, but it would be helpful to
6 understand how you would use a quantification if we
7 were able to give you one to shape the conversations.

8 FACILITATOR DAVE WAHUS: That's the
9 question I should have asked. Thank you, Steve.

10 DR. KATE JACKSON: GPRA is the
11 Government Performance and Results Act. It places
12 requirements on federal agencies to establish not
13 only a mission and vision but a set of strategic
14 objectives and critical success factors, and then a
15 vehicle set of indicators that you can use to measure
16 either the efficiency of the process, things like
17 cycle time, cost for something, or output measures.
18 And in some cases, you know, for conservation
19 organizations it might be acres of land protected.

20 And so we have established an
21 indicator -- well, actually we had one before the
22 GPRA Act was passed that measures our performance.
23 And lots of that was driven, of course, by the power
24 program, recognizing how many mills per kilowatt

25 hour, how many -- how much losses there are from a

1 transmission line, and that sort of thing, are
2 important.

3 And what we did on sort of the softer
4 side of the Agency was establish a set of metrics to
5 allow us to evaluate how we were doing. And those
6 are things like our watershed water quality
7 indicator, which looks at individual sub watersheds,
8 hydrologic units, to determine their health level.
9 And some of that is erosion. Some of that is the
10 water quality indicators, the vital signs indicators,
11 the biota in there, and some of it is aligned and
12 uses the state water health indicators.

13 In addition, there's an economic
14 development indicator that is used that is jobs
15 retained and added. And so there's a whole series of
16 indicators.

17 This question, however, gets to a
18 slightly different issue, which is, as we begin to do
19 things like the Reservoir Operations Study, things
20 like those regional reservoir plans or evaluating an
21 EA or an EIS, particular projects' impact to whatever
22 the area is. Part of that, of course, is the
23 economic development piece. Part of it is an impact,
24 either plus or minus, to wetlands or shoreline

25 erosion or an impact on other environmental

1 components.

2 What we're looking for is exactly,
3 Steve, what you were asking, which is, you know,
4 we're not fond, as you know, of quantifying in
5 financial terms everything. It's very difficult to
6 determine what an acre of wetland is worth, and we
7 could argue all day about the assumptions we use
8 there. Our preference is not to do that.

9 However, clearly we have a series of
10 results that the agency is responsible for, low cost
11 power, reliable power, a healthy ecosystem. And our
12 question -- this question relates to, what advice can
13 you provide us with respect to how to begin to
14 evaluate those. One advice piece might be, don't
15 quantify it in financial terms. Another might be, as
16 you look at the value -- and what we're really
17 looking at is the public lands and how we evaluate
18 that.

19 As you look at public lands for
20 economic development, we believe that there is a
21 value, it may be difficult to quantify, for open
22 space, for maintaining that resource green for
23 economic development, because it's very easy for a
24 person within TVA to say, do we have a business

25 purpose for that land and not to -- that may

1 translate into, are you going to put a transmission
2 line on there or are you going to put a combustion
3 turbine on there.

4 And what we'd like you to be thinking
5 about is, what are the other things that we should be
6 thinking about, how should we weigh them as we do
7 this analysis. We do it kind of based on our
8 technical expertise. I mean, we do extensive
9 evaluations. Many of you-all have been in the midst
10 of some of those, but, you know, do you have any
11 advice for us about how we perform that kind of
12 analysis.

13 Is that helpful?

14 DR. STEPHEN SMITH: Yes.

15 FACILITATOR DAVE WAHUS: I saw a
16 number of nods around the table. Thank you.
17 Paul.

18 DR. PAUL TEAGUE: If it were --
19 there's no contraindication that is appropriate. I
20 tried to look over these notes, who said what, and
21 there's no -- could we put the name by who makes
22 these suggestions so we can go back and review where
23 we are and who said what?

24 FACILITATOR DAVE WAHUS: Sir, in the

25 transcript that Kim is taking that she has not typed

1 out yet the -- that will have the attributes to all
2 the comments to it. In order for us to put names on
3 the screen up here as to who would slow us down quite
4 a bit and we don't have the time to do that.

5 DR. PAUL TEAGUE: It doesn't mean as
6 much if you don't know where it's coming from.

7 FACILITATOR DAVE WAHUS: Bill.

8 DR. STEPHEN SMITH: Do you want me to
9 mark where I --

10 DR. PAUL TEAGUE: I can read yours,
11 Steve.

12 MR. BILL FORSYTH: I don't disagree
13 with the premise that open land has value, it does,
14 but in response to Greer's comment, if you go to
15 Western North Carolina or North Georgia where we have
16 in some instances a lot more public land than we have
17 private land, then in -- and we don't have much
18 development, in those cases residential can have a
19 greater value than in a more built-up area. So I
20 think we established yesterday that each lake is
21 different, and the criteria for what's valuable in
22 development should also be different at each lake.

23 FACILITATOR DAVE WAHUS: Thank you.
24 Miles.

MS. MILES MENNELL: I think an issue

1 that perhaps we need to revisit is what do we mean by
2 economic development specifically, especially along
3 the river and especially on those public lands. And
4 in terms of value and assigning value, I think we
5 need to decide, are we talking about the importance
6 of ecotourism and tourism development and preserving
7 those public lands as part of the ecotourism, not to
8 take away from other things on public lands.

9 But I think we -- it would be helpful
10 to me if we were to revisit that and come to perhaps
11 a more concise understanding of exactly what we mean
12 by economic development of vis-a-vis those public
13 lands along the watershed. I understand about
14 competing interests and I understand about the value
15 of the navigation on the Tennessee River and access,
16 et cetera, but I think we need to be just clearer.

17 I would vote in favor or I think one
18 of the most important things we need to be looking at
19 in terms of economic development along those public
20 lands is the value of economic -- or ecotourism and
21 bringing people in, that being a primary reason for
22 people to visit those areas and to bring those
23 dollars to a region.

24 FACILITATOR DAVE WAHUS: Thank you,

25 Miles. Jimmy.

1 MR. JIMMY BARNETT: I hate to go where
2 I am fixing to go, but there's a relative worth kind
3 of philosophy that you can use for each reservoir,
4 simply because to Murphy, North Carolina there's one
5 value on the open land because there's so much of it.
6 In our area there's a relative worth of not so much
7 open land but the tourism use of the river with all
8 the bass tournaments, and that sort of thing that's
9 out there. Plus, we thoroughly enjoy those. It
10 brings a lot of money into our community.

11 One particular business coming into
12 Sheffield, Alabama takes a very large value to us
13 from the standpoint of economic development. And
14 keeping the river clean, keep the fish swimming so we
15 can have such tournaments, that's one of the things
16 that we look at. We really like people to visit our
17 area and use our facilities and catch the fish and
18 bring in their dollars. It means growth for our
19 area. And growth is not generally bad. It's not
20 generally good sometimes. It can be either one. If
21 it's unconstrained and unplanned, it's bad.

22 I would like to see some thought given
23 to we look at separate reservoirs, look at what is
24 most valuable to the people around the reservoir. Is

25 it more business jobs? It is industrial jobs? I'm

1 not saying you have one reservoir you have nothing
2 but interest in, it has to be a balance of
3 everything.

4 So I am stuck on this point of what is
5 the value in each particular area to the people in
6 the area of all these various things, because I said
7 one thing, and this is what it is around Sheffield,
8 Alabama, it wouldn't be the same up in East Tennessee
9 or some of those areas or it wouldn't be the same
10 even further down the river perhaps.

11 To get a cookie-cutter thing for -- we
12 talked yesterday, you know, about getting a
13 comprehensive thing all across the Valley. I just
14 have a problem because what's, quote, fair to one
15 person over here might not be fair to another person
16 over there. So that does not help the problem, it
17 compounds it, because you don't have a one
18 cookie-cutter approach. But again, what is fair for
19 Sheffield and that area is not the same thing as to
20 what is fair on further west or further back east.

21 Maybe we need more environmental
22 things going on around our neck of the woods, more
23 biodiversity, for an example. Of course, in my
24 backyard is everything from snakes up, I think, to

25 deer. I would like not to have some of the snakes,

1 I'm sorry, but there are other places that need
2 residential development. We would like to have some.
3 We have a little. What we need is jobs to bring more
4 people in, and I'm sure everybody could say that.
5 Jobs can be brought in by various activities, whether
6 it's fishing rodeos or industrial jobs or something
7 like that.

8 So I don't particularly like a
9 cooker-cutter approach. Maybe an overall theme, what
10 is the best value for the use of our properties in
11 this area, and define an area, and maybe it's either
12 the watersheds because I think those are vastly
13 important, but not the same thing for East Tennessee,
14 North Carolina, as it is for Alabama, as it is for
15 different portions in Tennessee. I just don't think
16 it's, quote, fair because the needs are different.

17 FACILITATOR DAVE WAHUS: Stephen.

18 DR. STEPHEN SMITH: Yeah, I have a
19 whole series of things that I want to sort of rattle
20 off that, you know, factor into a value equation.

21 First I just want to say that I don't
22 necessarily equate a comprehensive watershed approach
23 to necessarily being one-size-fits-all or
24 cookie-cutter. I mean, look at the River Operations

25 Study, I mean, clearly each reservoir and the levels

1 associated with each reservoir are going to be
2 evaluated uniquely to that reservoir, but they also
3 are going to be viewed in the context of the overall
4 system.

5 So I don't necessarily -- where
6 comprehensive is being looked at is, you know, sort
7 of a one-size-fits-all, I think there's uniqueness to
8 each reservoir and there's diversity to each
9 reservoir, and you can't get away from that, so you
10 shouldn't.

11 Quickly on some of the values that
12 could be -- metrics could be developed that could be
13 quantified. I think that, you know, when you look at
14 how public land can impact things, and Kate mentioned
15 earlier, erosion and sedimentation, I mean, obviously
16 as the sedimentation levels build up in the lake,
17 that has both a biological, and I would imagine to
18 some degree, an economic impact on how the dams are
19 run.

20 And if you can develop public lands
21 and a public land policy and support lands that are
22 intact instead of being disrupted, again, from a
23 visual point of view after it rains, you can pretty
24 quickly look down on the ground when you fly over an

25 area and see very quickly where the runoff is and you

1 can generally trace that runoff back to some area
2 that people are disturbing the landscape to build
3 something. The creeks are full of mud and then you
4 can see a plume coming out. I think that has a value
5 and an economic impact and a biological impact.

6 Water quality, I think it is clear
7 that if you don't protect the headwater sections of
8 watersheds you will find that the costs associated at
9 a later time with purifying and cleaning that water
10 up to make it available for drinking water is going
11 to be dramatically increased.

12 If you don't have policies to
13 protecting public land and keeping track where you
14 have overdevelopment and you have fecal coliform, you
15 know, entering into the waterways, that requires
16 additional monies to clean up, you know, if you're
17 letting development go right up to the edge of the
18 reservoirs, and things like that.

19 So there clearly are quantified
20 measures associated with water quality. I think
21 there is -- if you are looking at -- again, looking
22 at economic development from a very broad
23 perspective, if you're looking at the region from a
24 broad perspective and you talk to a number of people

25 why they have located in this region, it is because

1 of the quality of life. They are, you know, wanting
2 to get away from, you know, the overdevelopment in
3 New England or they are trying to get away from the
4 overdevelopment in places like Atlanta where there
5 has not been any thoughtful approach to controlling
6 sprawl and just rampant development.

7 Last week we saw that Knoxville now
8 is, you know, in the top ten in the country for
9 sprawl, and what will quickly happen is you will
10 erode quality-of-life issues where -- that many
11 people have come to this region to enjoy. I mean, we
12 have got the mountains, we have got the streams, we
13 have got some of the most beautiful places on earth
14 in our area.

15 You have -- there could be a way, I
16 think, to try to affix some sort of quantification to
17 how industry and individuals locate in an area and
18 what they seek from that area, some sort of metric
19 associated with quality of life.

20 Now, again, it's hard to quantify, and
21 I think the very nature of this question is extremely
22 difficult because a lot of these values do not lend
23 themselves to that, but somehow or another you have
24 got to evaluate quality of life. And then, if you

25 think of all the aspects of quality of life for -- I

1 mean, you could even get into things like mental and
2 physical health.

3 Case in point, you know, yesterday
4 afternoon after this stressful meeting, you know, I
5 was able to go to an open space area that is right
6 down here near the Ijams Nature Center close to where
7 I live and go for an hour hike very quickly because
8 it was close, it was convenient. I could either go
9 there or I could go to some gymnasium or something
10 and try to workout or something like that, but it was
11 a much better experience and that has, I think, both
12 mental health and physical health attributes that
13 then manifest into things like medical costs and
14 other things that people do not have outlets like
15 that.

16 Public land provides people a quality
17 of life for both mental and physical health that then
18 has, I think, physical manifestations in the medical
19 world in the forms of both psychological and physical
20 ailments that manifest themselves that require cost
21 of -- you know, money, and somehow or another you
22 need to be able to quantify that and give value to
23 that because it's very real.

24 There are values associated with air

25 quality as you -- you know, if you encourage

1 development in areas that encourage sprawl, you have
2 increased transportation and other things because
3 people are driving a greater distance. I mean, the
4 guy from the Army Corps, I think, said very well,
5 encouraging the development around Lake Lanier is
6 leading to people having bedroom communities, you
7 know, miles and miles away from Atlanta, but yet,
8 they are commuting in great distances because they
9 want to live in, you know, these areas, and that
10 increases air pollution and other things which then,
11 you know, I think for TVA has direct costs associated
12 with the power system because it drives up the cost
13 of things like nitrogen credits and everything, but
14 it also has a direct cost to society in the form of
15 medical costs.

16 You have things like public lands use
17 for carbon sequestration. I think we heard yesterday
18 that the forest service and others are interested,
19 that TVA has a bank of public lands, and as this
20 country begins to get serious about dealing with
21 issues of global climate change and carbon, carbon
22 sequestration has real value.

23 You know, Bruce and others can talk
24 about this more, but, I mean, there is real issues

25 about habitat for fish and other things and fishing

1 and the tourism that comes. I mean, a stream that
2 is, you know, overly silted from development and
3 runoff, and all this other kind of stuff, is not
4 going to be as biologically healthy for sports
5 fishing. Then you also have the basic biodiversity
6 issues that somehow or another need to be given real
7 value.

8 So, you know, I -- I don't know on
9 each one of these things how to provide a specific
10 metric, but it is very clear to me that public lands
11 interface in so many different ways and they are
12 given short shift by a very narrow definition of
13 value and quantification that is -- only lends itself
14 to very strict current economic terms that don't
15 factor in the externalities that actually are part of
16 the overall equation. So that's a list. And I don't
17 know, Laura, if you got all of those.

18 FACILITATOR DAVE WAHUS: I think she
19 captured it pretty well.

20 Miles, I saw that you had your name
21 tag up and then you set it back down. Did you change
22 your mind? And Jackie did the same thing, so I will
23 call on you next.

24 MS. MILES MENNELL: I was just going

25 to say essentially the same thing, that I think

1 there's an opportunity -- one size doesn't fit all,
2 but I think there's an opportunity for us to lay down
3 certain basic values or a certain basic philosophy or
4 to identify these issues. Minimum standards, perhaps
5 that's the way to do it.

6 I mean, if we were to say -- again,
7 for example, and I don't mean to harp on the economic
8 development, but if we were to say that on those
9 public lands that run along the river we want TVA to
10 maintain those in a natural state, for example, or we
11 don't want development of any kind to occur on those
12 adjacent lands or on some of part of them in order to
13 maintain these other things which contribute so
14 substantially to our quality of life.

15 That's all I was going to say, is that
16 one size doesn't fit all, but that development or not
17 development doesn't necessarily preclude establishing
18 some sort of minimum standard or underlying standard
19 for the value -- or understanding for the value of
20 these public lands.

21 FACILITATOR DAVE WAHUS: Thank you.
22 Jackie, did you decide not to speak? I will give you
23 another opportunity here.

24 MS. JACKIE SHELTON: I was just

25 thinking perhaps we need a criteria for

1 quantification, No. 1, a criteria. And I suppose on
2 a scale of one to ten you can rate that criteria once
3 we establish that. And it's my feeling that if we do
4 this -- I'm not for your cookie-cutter approach
5 either.

6 However, I do feel that an overall
7 criteria should apply to each area, each lake
8 overall, and that in itself in looking at
9 establishing your criteria and looking at each area
10 and looking at this criteria to see where they rate,
11 what their greatest need is, because each area the
12 need is different. This gives you the flexibility.

13 You establish a criteria, quantify
14 your criteria. You could even do that different area
15 by area, but you still would have an overall --
16 something to go with that would apply to every area,
17 that was my thought.

18 FACILITATOR DAVE WAHUS: Help me
19 understand what you're saying. Would you give me an
20 example of what you mean by criteria?

21 MS. JACKIE SHELTON: Yes. As an
22 example, we talk about economic development, I think
23 it should always be considered because this land is
24 for the people. It's not that that is not important,

25 but I think each area would have a different need for

1 economic development, that's where your flexibility
2 comes in. But I think they should be looked at, each
3 area for economic development.

4 But I think air quality should apply.
5 Water quality should apply to every area that's in
6 the watersheds that we're referring to and the
7 environment. There are certain things that, in my
8 mind, apply to every area, that's where you get your
9 uniformity.

10 FACILITATOR DAVE WAHUS: Based on
11 these criteria then, how would you quantify those
12 criteria so that you --

13 MS. JACKIE SHELTON: Well, that's
14 what -- the feeling is that's what we're here for.

15 FACILITATOR DAVE WAHUS: Right.

16 MS. JACKIE SHELTON: How would I do
17 it?

18 FACILITATOR DAVE WAHUS: What's your
19 thought?

20 MS. JACKIE SHELTON: Well, the first
21 thing, I would establish a criteria. If it were me,
22 that's how -- I would establish a criteria. I would
23 look at those and then I would try to rate those of
24 importance.

FACILITATOR DAVE WAHUS: Thank you.

1 Bruce.

2 MR. BRUCE SHUPP: Just a question for
3 Kate. I think everybody seems to feel that there is
4 a value for this, for the rating or quantifying the
5 contributions, and it seems that there's pretty much
6 agreement that open space has value. If we can
7 figure out what the criteria for evaluating that open
8 space are or is against other activities, is that
9 enough for you to -- we have, you know, like another
10 half hour left in this discussion, and I don't think
11 we're going to reach an agreement of what those
12 quantifiers are, is that enough to give you a
13 direction, that we value open space and the
14 contributions it makes but can't quite come up with a
15 quantifier that you will have to discuss in-house in
16 detail.

17 DR. KATE JACKSON: What it does for me
18 is it tells me that more or less the way we currently
19 plan these reservoirs is probably appropriate. We
20 have a series of very carefully defined criteria for
21 evaluating the kind of resources that there are, how
22 significant they are, both cultural and natural
23 resources. We have a set of very standard criteria
24 for evaluating shoreline condition, bio to health, I

25 mean, those are all very standard.

1 And we look at what's there. And
2 depending upon whether there are threatened or
3 endangered species or sensitive ecosystems, we
4 identify that, and that maybe flips it from that zone
5 for resource conservation to -- or resource
6 stewardship to sensitive resource stewardship. So
7 there's sort of a significance level there.

8 In addition, what I heard was that,
9 yes, open space is very important. However, its
10 importance is relative to the needs in that specific
11 region, meaning that Tellico maybe needs residential
12 a little bit less than around, you know, other
13 more -- less developed areas.

14 And the way we currently do our plan
15 is that we look at, you know, all of those specific
16 criteria, we look at the capability. You heard
17 Bridgette talk yesterday a little bit about the
18 capability of that land, how flat it is, what's on
19 it, what are the issues associated with it, then we
20 look -- so we have an initial template of what that
21 land is capable of supporting, and that might be
22 supporting nothing, other than what's there, which is
23 very important. It may be supporting industrial
24 development if it's got some deep water, issues like

25 that.

1 So we have an initial template around
2 a reservoir that we go out and then begin really
3 in-depth conversations with community leaders, with
4 constituencies, with economic development groups, and
5 then we get their feedback on that and come back and
6 then have a draft allocation of those lands.

7 So what I've heard is that's probably
8 pretty appropriate because that gets to your issue,
9 Jimmy, where different issues apply in different
10 places. The thing that it does not get to, and I
11 guess I would like to hear some conversation about,
12 is, is the issue that Lee brought up yesterday, and I
13 think Stephen is sort of there, which is, fine, then
14 what you have, we can pull all of these reservoir
15 plans together and tabulate what's there and kind
16 of -- the issue of pulling together all the watershed
17 plans, then what you have is a comprehensive
18 tabulation, not a comprehensive review, of everything
19 that's there. So you get to 62 percent or 73 percent
20 depending on how we add those buckets together, but
21 that's a result. That's not an objective. That's a
22 very different thing. And I guess what I would like
23 to hear is some more discussion about that from the
24 Council.

1 FACILITATOR DAVE WAHUS: Bruce, do you
2 want to start?

3 MR. BRUCE SHUPP: There's probably
4 somebody that -- some university scientist that has
5 curves that describe development and tourism use and
6 you would try to find where those lines intersect at
7 the maximum amount of your community leader and say,
8 we can develop to this point before it stops
9 detracting from our -- our tourism value to numbers
10 of people, then it starts dropping off. If we keep
11 going up, tourism starts going down.

12 This is what we're arguing with or
13 looking for as far as how far can you develop with
14 your values for development and how much is that open
15 land worth. There's probably somebody who has tried
16 to define that.

17 DR. KATE JACKSON: Well, there are
18 carrying capacity analyses that can be done, and
19 that's basically what you're talking about. Those
20 carrying capacity analyses, we have done some of
21 them, but the issue is kind of two-fold.

22 You can do a lot of analyses in --
23 first of all, generally the way those analyses goes
24 is we can carry a whole lot more capacity than we

25 currently have, which doesn't get to the issues that,

1 I think, need to be discussed.

2 The second is, what policies do you
3 want to put in place, and then who's responsible for
4 them to manage that increased capacity. Much of that
5 responsibility is not TVA's because most of the
6 carrying capacity issues are numbers of boats on the
7 water, and that's a TWRA issue, in Tennessee at
8 least.

9 MR. BRUCE SHUPP: I wasn't talking
10 about on the water growth. I was talking about the
11 land development, you know, at what point do you have
12 your land developed to a point that it's no longer
13 appealing for someone to drive 1,000 miles to visit
14 it.

15 And I go back to Jimmy's tournament
16 comment, I know that -- and I don't have any
17 quantification to this, but there are some of our
18 locations where the families go, which is a big
19 increase to the economic area. You know, instead of
20 having one fisherman come in for a week, you have got
21 a wife and a couple of kids come in for a week too.
22 Then there's others where they don't go because it's
23 just not appealing to them. There's not anything
24 else for them to do or it's not that attractive.

1 do you go one place and not another, one of those
2 communities is offering something that the others
3 ones don't. So I don't know what those answers are,
4 but there's an appeal point when development becomes
5 less attractive.

6 FACILITATOR DAVE WAHUS: Jackie.

7 MS. JACKIE SHELTON: Kate, did I
8 understand you to say you are looking for objectives
9 in the final analysis?

10 DR. KATE JACKSON: Well, what I said
11 was that yesterday Lee brought up an issue; which is,
12 that 62 percent that you have in sort of natural
13 resource, that zone, is that a result of just adding
14 up all the numbers or is that an objective, you try
15 to maintain 62 percent. No, it's a result.

16 So maybe one of these -- some of the
17 discussion you could have is, should there be
18 objectives set.

19 MS. JACKIE SHELTON: Well, I was
20 interested in the -- when you said objectives, and I
21 have been sitting here, absolutely, absolutely in my
22 mind there should be objectives, the best air
23 quality, the best -- the cleanest water, more
24 protection for wildlife, there should be objectives

25 in every criteria, but who -- there again, you go

1 back to a result, an objective is a result of the
2 preplanning. So how -- you want us to try to --

3 DR. KATE JACKSON: But my issue
4 though, Jackie, is if what you want to do is do a
5 reservoir plan that takes into account the condition
6 of the resource, the capability of that resource for
7 supporting different uses, the input of the local and
8 regional community into what they need, then what you
9 have is the amount of land that's allocated for one
10 thing versus another, recreation versus industrial
11 development, residential development versus
12 protection, that then becomes a result. You didn't
13 go into that reservoir and say, I want to preserve 80
14 percent of this public land, that's a very different
15 thing.

16 MS. JACKIE SHELTON: Well, that's in
17 your original criteria, depending on how you
18 establish it.

19 DR. KATE JACKSON: My point is it's
20 not now, so provide me some advice.

21 MS. JACKIE SHELTON: Well, let's do it
22 then. Let's try to work on it.

23 DR. KATE JACKSON: I think there are
24 some very different views about that around the

25 table. So my suggestion is maybe you-all could

1 wrestle with that one a little bit, because what I
2 heard, you know, about the quantification and the
3 analyses is that we're pretty much doing the kinds of
4 things that you feel are appropriate, and I think
5 there is this issue about comprehensive, not
6 comprehensive. The other issue is this sort of
7 objective issue, in my opinion.

8 FACILITATOR DAVE WAHUS: Ed, I believe
9 you were next.

10 MR. ED WILLIAMS: I think I have read,
11 although I can't recall the quantification standards,
12 but in all the sustainable development movements, and
13 there's a lot being written out there about it and a
14 lot of sustainable development, coalitions, so to
15 speak, there is quantification of those things.

16 One thing that occurs to me is, have
17 you-all, in all of your surveying of the users, you
18 know, asked questions of people about the natural
19 resource conservation designations or picked an area
20 that's, say, an open space or a really neat forest
21 that's along a lakeway that's got this I think what
22 you called dispersed recreation, low impact camping,
23 non-development, maybe some hiking trails and do
24 people -- you know, one quantification, are people

25 using it?

1 Two, are people that are going along
2 the lake enjoying looking at it versus a condo
3 development, and those kinds of issues can quantify
4 that.

5 Now, jumping to the objective, I think
6 that is very important. I think that, for instance,
7 just taking up my way, Watauga and South Holston
8 Lakes are mostly natural forest lands, 80 to 90
9 percent, and they are beautiful and people come there
10 because of that because they don't have to look at
11 condo city.

12 Boone Lake is involved in the condo
13 city and people kind of accept that. Everybody gets
14 out on their jet ski and there's lots of noise and
15 lots of racket and lots of waves. So that's -- and
16 those things are happening as you-all have put
17 together your plan and as development has occurred.
18 So I do think that each reservoir is different, but I
19 do think it's worth setting some standards,
20 particularly on some of those reservoirs that have a
21 lot of public land and that's the key attraction for
22 those reservoirs.

23 FACILITATOR DAVE WAHUS: Thank you.

24 DR. KATE JACKSON: By reservoir, is

25 that what I heard you say, objectives by reservoir?

1 MR. ED WILLIAMS: I think there needs
2 to be a general statement, sort of a general plan, a
3 general objective, then quantified by reservoir or
4 more defined by reservoir.

5 FACILITATOR DAVE WAHUS: Steve.

6 DR. STEPHEN SMITH: When we were
7 talking a moment ago about carrying capacity, you
8 know, I think it's important to realize that we are
9 not the only critter that needs to be carried. And,
10 you know, as veterinarian and others, it's important
11 that when you look across -- if you're trying to look
12 at carrying capacity analysis, some of the work that
13 I have done tends to say, well, you know, you can
14 squeeze X amount of human beings on X amount of space
15 and they will survive, you know. And you can also
16 put X amount of cows in a certain area or in a, you
17 know, intensive farming arrangement or X amount of
18 pigs or X amount of boiler chickens into a square
19 foot, you know, but the thing of that is that I think
20 that there are -- there are values beyond just
21 squeezing human beings into a space.

22 I think that, you know, TVA has a
23 resource conservation message -- mission, and that
24 has to include non-human species as part of -- you

25 know, again, I don't even like the term resource

1 because then you then say, you know, the wild turkey
2 and deer are more valuable than Cerulean Warblers or
3 whatever, but there are certain -- because certain
4 people have -- you know, sort of see that as more of
5 a resource as they go and shoot it and eat it or
6 whatever.

7 But there is -- there is a need to --
8 I think when you look at the carrying capacity, you
9 need to look at each reservoir's ability, because
10 some of these reservoirs that have larger blocks of
11 public land around them represent intact, contiguous
12 blocks of public lands that certain species need.
13 Whereas, you know, fragmented habitat may appeal to
14 certain early succession species, but other species
15 need intact, you know, habitat.

16 And I think that you have got to
17 figure out, you know, when you are looking at the
18 carrying capacity, you know, who are you trying to
19 carry and not limit it to only one species.

20 FACILITATOR DAVE WAHUS: Bill.

21 MR. BILL FORSYTH: I may be mirroring
22 a little bit what Ed said, but in -- my answer to
23 Kate's question would be you ought to have objectives
24 for each reservoir, and then when you add all of

25 those up, that result could -- is sort of a measure

1 of what you're trying to do and let's you know where
2 you're -- to put your priorities, but there's no way
3 to have an overall objective, but that result of
4 adding all the objectives up kind of gives you a
5 measure of what you're trying to do.

6 FACILITATOR DAVE WAHUS: Ed, you had
7 yours up.

8 MR. ED WILLIAMS: Just a quick
9 follow-up. This may be in Bridgette's arena. The
10 reservoir planning zones goes from acreage and then
11 the Valley wide -- the 62 percent that keeps getting
12 referred to goes to shoreline. I take it those
13 shoreline protected miles include national forest
14 lands and other public lands in addition to TVA. And
15 so part of that is already in a different mode that
16 we really don't have a lot of influence on. In other
17 words, part of that 62 percent, and I'm just curious
18 how much of that 62 percent is in other governmental
19 ownership or -- you might not be able to give me the
20 exact figure. I'm just kind of curious.

21 MS. BRIDGETTE ELLIS: We will see if
22 we can look it up, but it is, because we're talking
23 about the entire shoreline on both sides obviously,
24 11,000 miles, and a lot of that -- that includes all

25 of the land around all of the reservoirs, so there

1 could be -- you know, there could be national forest
2 lands, other TVA lands. That 62 percent is of the
3 land that we own, but it will include -- the entire
4 mileage will include, you know, like you said,
5 national forest, but we will see if we can track that
6 down.

7 MR. BILL FORSYTH: Bridgette, are you
8 saying that 62 percent is 62 percent of TVA owned
9 land or controlled land?

10 MS. BRIDGETTE ELLIS: 62 percent of
11 the 11,000 miles.

12 MR. BILL FORSYTH: Of the total
13 11,000. Okay.

14 FACILITATOR DAVE WAHUS: Miles.

15 MS. MILES MENNELL: Just to reiterate,
16 obviously every reservoir is different, and
17 obviously, to me anyway, one size doesn't fit all,
18 but I do think that there's a basic common
19 understanding we can come to and what we -- the way
20 we think TVA ought to be managing these lands and
21 managing itself.

22 It can be as simple as saying we
23 reaffirm what the TVA Act says, that TVA needs to
24 manage these lands all for the general purpose of

25 quality of life or for all the general purpose of

1 whatever, but I think that there is a common
2 philosophical understanding that we can come to as we
3 begin to look for separate values. I think there is
4 an overall value that we can come to an
5 understanding, and I think we need to do that and
6 encourage them to do that.

7 FACILITATOR DAVE WAHUS: Thank you.
8 Other comments? Greer.

9 MR. GREER TIDWELL: I want to pick up
10 on what Miles just said about going back to the Act
11 which directs us to foster an orderly and proper
12 physical, economic, and social development of said
13 area. Now, that's a lot of leeway, and what you're
14 asking us to do is think about for the next decade or
15 three decades what is orderly and proper development.

16 This is outside of the box. I think
17 there is an opportunity to leverage right-of-way land
18 management to help foster said orderly and proper
19 physical development. I think that it can make a
20 quantifiable contribution to Valley-wide land
21 management.

22 It's a little bit outside of the box
23 of what we have been talking about. We've been
24 talking about the land that TVA owns and controls,

25 and according to your attorney, can give away on --

1 to do whatever they want to do with, and I understand
2 there's some limitations on what we need to do with
3 the right-of-ways. We have got to maintain secure
4 power transmission.

5 We only have an easement right
6 thereto, but goodness, gracious, it's 200,000 acres
7 compared to 320,000 acres that we own outright. It
8 stretches throughout the Valley. I think there's an
9 opportunity there for quantifiable contribution to
10 better land management by how we manage the
11 right-of-ways. Again, that's outside of the box of
12 what we have been talking about, but I'd like to
13 throw it in the mix.

14 DR. KATE JACKSON: And I will just
15 mention that we have an ongoing program both for
16 evaluation of indigenous species that don't grow high
17 so that they're not hazards underneath but also will
18 connect some of that habitat issue. And we encourage
19 and provide lots of information and technical
20 assistance to land owners over which we own easements
21 for the transmission rights-of-way to be able to grow
22 some of those indigenous species. We have some pilot
23 programs ongoing. And some of the folks that Steve
24 has arranged for us to interact with are participants

25 in that program.

1 But again, it is a voluntary program.
2 There are lots of issues associated with -- you know,
3 we contract with folks to maintain those transmission
4 of rights-of-way. Occasionally people will plant
5 things and we will cut them down by accident. So we
6 have lots of work to do there.

7 And there are very strong concerns
8 from out distributor customers with respect to some
9 of those issues because their liability is very
10 important, but we are working on that.

11 MR. GREER TIDWELL: I guess my point
12 is when we begin to quantify our impact on land
13 management, you know, and there's the access to
14 foster orderly and proper, we have got 520,000 acres
15 over which we have substantial control, and we're
16 just talking about 320,000 which we have sort of
17 complete control over, and I think there's a real
18 opportunity there to in the public-education process
19 make sure that we're including and leveraging all of
20 that right-of-way impact that we have to help foster
21 good land management.

22 DR. KATE JACKSON: Right. And it's a
23 really good idea and we're working hard on that, but
24 when you say substantial control, that's an

25 overstatement. We have some involvement and

1 opportunity to entree for a conversation with the
2 landowners.

3 MR. GREER TIDWELL: I disagree with
4 that, Kate. I think there's a much bigger
5 opportunity than TVA is taking advantage of, and it's
6 proven by the fact that we saw here TVA ignore that
7 200,000 acres right-of-way.

8 DR. KATE JACKSON: No. That is
9 outside of the charter of this group, that's why it's
10 not in there, because that's power owned land. So,
11 no, we don't ignore it. It's just not included in
12 the purview of the Council because the Council was
13 focused on the land that was purchased through
14 appropriations for all of these other purposes. So
15 we don't include -- we took out the land that we have
16 nuclear plants on, too.

17 MR. GREER TIDWELL: Kate, who made the
18 charter for this group?

19 DR. KATE JACKSON: I did.

20 MR. GREER TIDWELL: That's my point.

21 DR. KATE JACKSON: Right. I know.

22 MR. GREER TIDWELL: TVA left that
23 200,000 acres out.

24 DR. KATE JACKSON: I am taking your

25 feedback. I doubt that we will change the charter

1 because we want this group to be focused on those
2 things generally that were formerly appropriated.

3 MR. GREER TIDWELL: Okay.

4 DR. KATE JACKSON: But I take your
5 point, and we are working on that, and we do have
6 metrics to measure that. I understand your point.

7 MR. GREER TIDWELL: Let me continue
8 with -- my real point is the survivability of TVA is
9 going to be based on whether its constituency
10 throughout the Valley believes TVA is doing more than
11 just selling cheap power.

12 DR. KATE JACKSON: That's right.

13 MR. GREER TIDWELL: Because we can get
14 cheap power from other places. That's a debate
15 that's going on around the country right now. These
16 right-of-way lands are a real opportunity to impact
17 positively TVA's constituencies' use support of the
18 Authority by fostering good land management through
19 these right-of-ways where we have intro, you're
20 right, it's not our property, but we have a strong
21 introduction to the landowner and a capacity to help
22 manage those in a good way.

23 DR. KATE JACKSON: We agree with you.

24 FACILITATOR DAVE WAHUS: Stephen.

DR. STEPHEN SMITH: This is as much a

1 question, in the -- in the -- looking in -- at what
2 TVA currently does, is there any -- I mean, what is
3 the current metric or is there even a metric that TVA
4 tries to affix to public lands associated with, you
5 know, again, this sort of mental health, physical
6 health type of, you know, having open space, having
7 that quality of life. I mean, what is the current
8 metric now? Is there one?

9 DR. KATE JACKSON: We don't have a
10 metric for mental health. I mean, we don't look at
11 that. We are struggling with how we can measure
12 quality of life.

13 DR. STEPHEN SMITH: And is there --
14 are there models that you-all have looked at that
15 others are using for those metrics that you've tried
16 to evaluate, is that something --

17 DR. KATE JACKSON: We have done some
18 preliminary benchmarks, and we cannot find anything
19 out there that is not subjective, or at least we
20 haven't found anything yet.

21 DR. STEPHEN SMITH: And the other
22 thing is relative to -- if I remember correctly,
23 there were attempts by folks at EPA to encourage
24 looking further up into watersheds, in other words,

25 the tributaries that feed into our reservoirs to try

1 to secure lands associated with headwaters for water
2 quality purposes.

3 Have -- I mean, are you guys
4 participating in those programs and partnerships with
5 other entities that have land to try to protect sort
6 of where the water originates as it moves down in
7 order to gain, you know, value in the water quality
8 by the time it actually enters the reservoir because
9 then that would affect, you know, things like the
10 demand that you have to maintain certain oxygen
11 metrics in the river because obviously, you know, the
12 water quality -- if the water is of higher quality
13 even before it enters the reservoir then -- so that
14 actually gets you a little bit beyond just the
15 reservoir itself because you can actually see
16 quantitative value and how it comes in. I'm just
17 curious at what level you are participating in this
18 sort of headwater look at public lands.

19 DR. KATE JACKSON: We have, and I
20 think many of you know, an extensive program in water
21 quality, and that is largely focused on working
22 cooperatively with EPA and hundreds of other partners
23 to provide technical assistance in some cases,
24 communication and education assistance in others to

25 develop coalitions that can both assess the water

1 quality in particular regions but also put in place
2 programs to improve that upstream water quality,
3 recognizing that it has a significant impact on
4 downstream water quality.

5 We measure the vital statistics of
6 that water quality, both us and some of our
7 cooperating partners and volunteers, and have -- we
8 set very specific goals for improvement of those
9 hydrologic units. I mean, that's that whole
10 evaluation that we do across the Valley every year,
11 and we work on either maintaining in particularly
12 stressed situations or improving where we can those
13 hydrologic conditions.

14 DR. STEPHEN SMITH: How does that
15 transfer then into the public land -- I mean, in
16 other words, to me there is an interface there that
17 has -- because obviously you have done -- you have
18 metrics and evaluation tools associated with water
19 quality, but there is an interface between public
20 land -- securing public lands, managing public lands,
21 and keeping them, you know, in a state that actually
22 provides value to water quality as opposed to paving
23 them where you're getting more runoff or you're
24 developing them, and all these other kind of things,

25 and I'm just wondering --

1 DR. KATE JACKSON: There are two
2 interfaces with ongoing management activities that
3 would directly impact this. One is examining our TVA
4 owned land shorelines that are critically eroded and
5 then setting targets for improvement, and then either
6 we do that or we though -- we don't have a friends'
7 organization, but through other organizations'
8 participation or federal grants or volunteer hours,
9 we work on a certain amount of that critically eroded
10 shoreline every year to try to improve those
11 hydrologic units.

12 The second is that as any public lands
13 are requested or encroachments happen on those lands,
14 we do evaluate what we think a potential impact is.
15 That's what happens in a lot of cases where we get
16 requests, like the RSA request that we had in
17 Alabama, lots of that evaluation was, what will the
18 impact of having that piece of public land go into a
19 golf course, if you will, and what are the additional
20 nutrient loading impacts and what are the, you know,
21 additional biodiversity implications and how should
22 we evaluate that. So that is very specifically
23 evaluated by us.

24 DR. STEPHEN SMITH: So you do -- is

25 it -- then you're able to quantify that in a way that

1 becomes a weight that is used to --

2 DR. KATE JACKSON: Yes. What we use
3 is our technical experts to try to help us determine
4 where there is significance, and then we don't
5 translate those significant issues into dollars. We
6 use them as sort of raw, natural numbers. And so one
7 of the questions is, how would you weigh that. How
8 would you weigh that? I mean, we do it based on our
9 technical evaluation, but, you know, if you have some
10 advice for us to help us do that, that's important.

11 DR. STEPHEN SMITH: And that's where I
12 was going with it. It would seem to me that there is
13 a way to, you know, again add value to public lands
14 that are, you know, less disturbed because of their
15 filtration mechanisms and the integrity, and it would
16 seem to me that you -- and that's what I am exploring
17 is the state of, you know, how do you then quantify
18 that because that to me has -- I think there's a
19 whole theory out there about, you know, services that
20 natural ecosystems -- that intact natural ecosystems
21 provide that if you had to go and recreate or attempt
22 to recreate that with human-made systems, they are
23 quite expensive.

24 DR. KATE JACKSON: And we try to do

25 that based on what the capability of that resource is

1 and the situation we find the resource in.

2 And let me just note that we don't
3 have any public lands, TVA owned, that aren't already
4 what you consider to be fragmented habitat. It's all
5 fragmented habitat already.

6 The second thing is anywhere where
7 there is a specifically unique micro ecosystem, if
8 you will, we have that already set aside that smaller
9 percentage in that zone for sensitive resources. So
10 there are small wild areas. There are wildlife
11 management areas. Those are already set aside. So
12 those are the ones we place the highest weight on
13 with respect to value.

14 FACILITATOR DAVE WAHUS: We have been
15 going on now for 50 minutes. You set the time of one
16 hour to talk about this and we have to summarize. So
17 if you could summarize very quickly, Steve.

18 DR. STEPHEN SMITH: Well, the final
19 point is that the non-point source pollution tends to
20 go beyond those focused areas and tends to be sort
21 of -- more of a manifestation of the larger
22 development plan -- you know, planning and the
23 development in a given area. So, you know, it would
24 seem to me that somehow or another trying to value

25 ways to mitigate non-point source --

1 DR. KATE JACKSON: And we do that. We
2 focus very hard on the places we think that are the
3 most significant issues. We try to keep hydrologic
4 units that are about to go to poor from going to
5 poor. So we try to maintain them at fair. We try to
6 keep the ones at the top in the fair category, to get
7 them into good. So we do that. We guide the
8 investment. We have significant investments annually
9 in that non-point source. Roughly 80 percent of the
10 pollution in the reservoir system is non-point
11 source. That's true nationwide.

12 FACILITATOR DAVE WAHUS: Thank you.
13 You set an hour time limit yesterday for this
14 question. We have about -- oh, about eight or nine
15 minutes left. Let me see if I can summarize what I
16 have heard you say and you tell me whether I am
17 accurately capturing this or not. And if not,
18 please -- we will make the corrections.

19 First I heard that economic
20 development should include ecotourism. That's one of
21 the first things I heard. The value of open lands
22 differs between regions -- yeah, between reservoirs,
23 I'm sorry. Every reservoir is different, but we need
24 a common understanding of values throughout the

25 system so that the various reservoirs can be looked

1 at on an equal basis.

2 Quantification should include runoff
3 sediments, water quality, quality of life, air
4 quality, biodiversity, open space, and this should be
5 based on established criteria and objectives. And
6 then I heard a response to that that TVA is doing a
7 lot of that right now.

8 Did I capture -- did I miss any points
9 that -- any significant points that you-all made?

10 Yes, sir, Jimmy.

11 MR. JIMMY BARNETT: I would be totally
12 remiss if in the economic part of it or in every part
13 of it, one of the things you need to look at, of
14 course, is sustaining the power system and the value
15 of the electricity generated thereby while you're
16 considering all of these things.

17 FACILITATOR DAVE WAHUS: So you have
18 to include --

19 MR. JIMMY BARNETT: I have to include
20 that.

21 FACILITATOR DAVE WAHUS: -- the value
22 of the power system and the electricity that's
23 provided. Okay.

24 Julie.

MS. JULIE HARDIN: I think also you

1 did not include Stephen's comment that we must
2 remember that part of this land is habitat for other
3 species that we are also responsible for in the name
4 of conservation and proper physical use, like the
5 Migrating Song Birds, whatever.

6 FACILITATOR DAVE WAHUS: Conservation
7 habitat. Habitat values and conservation.

8 MS. JULIE HARDIN: Yeah.

9 FACILITATOR DAVE WAHUS: Any other
10 comments? Anything else?

11 Greer.

12 MR. GREER TIDWELL: I am going to
13 stick by what I said about the -- quantifying the
14 contribution of right-of-way management in their
15 multipurpose land management watershed. If TVA is
16 going to try to quantify how they impact land
17 management, they can't leave out that 200,000 acres
18 in this conversation on quantification.

19 FACILITATOR DAVE WAHUS: Okay. Any
20 other comments? Mr. Chairman -- yes, Paul.

21 MR. PAUL TEAGUE: We talk about each
22 reservoir having different things that should be
23 done, and I think we should basically say overall,
24 No. 1, all reservoirs should adhere to a policy

25 that's consistent with clean water, because that's

1 going to be a problem in the future for this country
2 is clean water. Overall, every reservoir should have
3 basics for clean water. If you want to include air,
4 fine, but that's not really what we're talking about
5 here.

6 Outside of that, if somebody else can
7 think of some commodities, if you will, to add to the
8 clean water that would be universal over the system,
9 I would accept that. After that I think each
10 reservoir should stand on its own, and as Phil says,
11 then decide what should be done.

12 FACILITATOR DAVE WAHUS: Thank you.
13 Mr. Chairman, I know we're about 15 minutes from when
14 the agenda says that we would break, but we have
15 spent an hour on this question. Might I suggest to
16 you and the other members of the Council that we take
17 a 15 minute break early, come back at 10:00, and then
18 spend an hour on the last question.

19 MR. BRUCE SHUPP: Good idea. We'll
20 start back promptly at 10:00.

21 (Brief recess.)

22 MR. BRUCE SHUPP: We're going to get
23 started for the 10:00 session. You notice when you
24 sat down that there's two things -- I am talking to

25 myself, but that's all right. There's two things at

1 your desk. One is a TVA real property disposal
2 authority outline that talks about the steps that TVA
3 goes through to dispose of real property.

4 The other is a copy of the transcript
5 from one of the earlier meetings of the first Council
6 that discusses the strategies for dealing with media,
7 and it's very self-explanatory. I don't think
8 there's any real need for us to discuss it. It's
9 what we talked about already, just plain old common
10 sense.

11 Let me remind anybody that's here
12 that's going to speak during the public comment
13 period that you need to fill out, if you have not
14 already, one of these comment forms. We try to
15 manage the time precisely during the comment period.
16 So we need you to fill out one of these forms. Thank
17 you.

18 We're ready for the 10:00 session to
19 go to the next question.

20 FACILITATOR DAVE WAHUS: Okay. The
21 last question -- and you had asked for -- is a
22 two-part question, and you had set aside an hour to
23 do, to discuss this question.

24 The question is, TVA actively manages

25 public lands primarily using the reservoir planning

1 process, 26(a) permits and shoreline management
2 policy. And the questions that are posed to you:
3 Are the lands planning processes that TVA uses
4 understandable and effective?

5 Second: Are there other land
6 management models that would be more effective for
7 TVA?

8 Bridgette reviewed the land management
9 process yesterday and --

10 MR. BRUCE SHUPP: Understandable to
11 whom?

12 DR. KATE JACKSON: Well, I think we
13 kind of talked about that yesterday with respect to
14 your advice on you need to do some more education,
15 you need to provide information to both local
16 community leaders but the general public with respect
17 to the way the process works and what it's for and
18 what the purpose is and why it's there. So I think
19 to the people who are making requests to the general
20 public, to local community leaders.

21 FACILITATOR DAVE WAHUS: Okay. So --
22 so you're looking for -- when you ask, are they
23 understandable and effective to the community
24 leaders, the public people that are making requests

25 for activities on TVA lands. Does that answer your

1 question, Bruce?

2 MR. BRUCE SHUPP: Yeah.

3 FACILITATOR DAVE WAHUS: Okay. Lee.

4 MR. LEE BAKER: I will open up. To
5 begin with, I'm pretty impressed with the process.
6 And linking into the comment that was just made, you
7 know, possibly the educational -- drawing other
8 people into it, I think it's an impressive process
9 that certainly gives everybody a chance to -- all the
10 different diverse opinions to input their -- the
11 decisions.

12 You probably could do something more,
13 I'm not sure what that is, but probably could do
14 something more to draw those stakeholders into it
15 because invariably they will wait when the
16 opportunity -- their opportunity is best in that
17 process. Unfortunately, they will wait until
18 something really is about to happen, then all of a
19 sudden, now, they get all interested in it. So if we
20 somehow or another can broaden that and educate,
21 which has already been said, and I'd just reiterate
22 that.

23 FACILITATOR DAVE WAHUS: Jimmy.

24 MR. JIMMY BARNETT: I need to bring

25 back up what I said the other day, which Lee just

1 touched on also, the education. That exactly
2 happened in my neck of the woods. There were
3 opportunities and nobody bothered to go because they
4 didn't realize the importance of going. How can we
5 get across the importance of going?
6 Speak-now-or-forever-hold-your-peace kind of thing, I
7 don't think they would accept that as a flat
8 statement.

9 However, I think that a personal
10 communication to the community leaders, the county
11 commissioners, and the city folks saying, hey, here
12 is your opportunity, please realize that we're
13 setting a policy which we will have to abide by in
14 dealing with your requests or your interests, please
15 take this opportunity to be there and speak your
16 peace. Whether that would do much good or not, it
17 probably would do some. So I think more of an effort
18 to notify the people in time for them to make
19 arrangements or to get someone there.

20 FACILITATOR DAVE WAHUS: Thank you.

21 Other comments?

22 Steve.

23 DR. STEPHEN SMITH: We've provided a
24 little insight already to TVA, but just to reiterate

25 it, I think that having a central repository of all

1 the reservoir planned management plans in place that
2 are easy and accessible is important so that people
3 can view them readily if they are interested, and I
4 think we have communicated that.

5 I think that -- the other thing is I
6 didn't really have a chance to really go on the web
7 page and dig and see, but is there a place on the TVA
8 web page that helps people understand the distinction
9 between, you know, the River Operations Study, the
10 shoreline management policy, and a reservoir land
11 management plan, because if you don't delve into that
12 world often it is confusing.

13 And I think even here with a number of
14 us I have seen people crossing between shoreline
15 management plans and sort of the reservoir land
16 management plan and sort of how the two interface,
17 and I am just wondering if there's a way to on the
18 web page sort of help explain that. And again, it's
19 not easy to do, I know, but --

20 DR. KATE JACKSON: There's information
21 about all of those there, but there is not a -- there
22 is not a side-by-side comparison.

23 DR. STEPHEN SMITH: At what point do
24 you actually -- you know, in other words, if you're

25 interested in this aspect this is sort of where you

1 go, this is how you get -- because, you know, people
2 are -- I think many times people are drawn into this,
3 and unless they really invest a lot of time in it,
4 it's somewhat overwhelming and daunting, and I think
5 that may impact an on how to get people out because
6 they don't necessarily understand the implications of
7 what's about to happen.

8 And, you know, those are just two
9 comments to see if -- I mean, again, some way that
10 somebody interested in public lands at TVA could sort
11 of go to and say, here are some tools that TVA uses
12 in making these decisions and these are the ones that
13 are relevant here and there might be useful.

14 FACILITATOR DAVE WAHUS: Thank you.

15 Other comments?

16 Are the lands planning processes that
17 TVA uses -- I guess I left a T off of this, that TVA
18 uses understandable and effective?

19 And I have -- the comment that I have
20 heard thus far is that you're impressed with the TVA
21 process, but education is the challenge, the
22 education of the people that are going to be involved
23 in that. And Steve suggested a couple of ways
24 that -- maybe some clarity on the Internet

25 application of that education could be applied.

1 DR. STEPHEN SMITH: Also in the TVA
2 library because there's a central repository that can
3 be maintained with various things.

4 FACILITATOR DAVE WAHUS: The TVA
5 library. Other comments? Are there other management
6 models that would be more effective for TVA?

7 Miles.

8 MS. MILES MENNELL: I would like to
9 call on Bridgette just for the sake of getting our
10 conversation going or on Tere. Several years ago
11 they went through a shoreline management policy
12 revision, if that's the right terminology, and one of
13 the issues involved in that was the permitting
14 process which they implemented, 26(a) permitting,
15 which was on, I guess, the Corps of Engineers'
16 process, well, I don't know, but anyway, you have a
17 26(a) permitting process and the Corps has one.

18 It was something to which local
19 governments, for example, took great exception, even
20 though they had input up to and before the policy
21 came to be. I don't know, would that be valuable for
22 you -- I think it would be valuable for you to
23 comment on the 26(a) permitting process, tell us the
24 status of that. It went through -- that whole

25 process went through a variety of modifications due

1 to public input. I think that would be helpful
2 background information just for our understanding.

3 DR. KATE JACKSON: There is Tere
4 McDonough. She works in Bridgette's organization.

5 MS. TERE MCDONOUGH: Thank you.
6 First, 26(a) permitting is permitting responsibility
7 that TVA has had since the TVA Act was created.
8 Bridgette mentioned that yesterday briefly in her
9 presentation.

10 The Act basically gives TVA
11 responsibility for reviewing and making decisions
12 about any proposed construction along the Tennessee
13 River or its tributaries.

14 With the shoreline management
15 initiative, starting in the mid 90's we took a hard
16 look at one component of that permitting process, and
17 that was the permitting for residential shoreline
18 development, the docks and piers and boathouses and
19 vegetation management practices in residential areas.

20 Why did we focus in on that?

21 Well, we have about 2500 permit
22 requests per year for that type of use. And we were
23 receiving requests from people to issue permits in
24 places where they did not have the access rights for

25 permits, and we were really struggling with, how do

1 we make those decisions. So we looked at a variety
2 of things.

3 The first preferred alternative that
4 we put out for public review would have opened up
5 additional shoreline areas for residential
6 development. You may recall that Bridgette mentioned
7 that we now have 38 percent of the shoreline
8 available for residential access. Well, that's how
9 much shoreline has these access rights.

10 Our first alternative would have
11 opened up additional shoreline for development, and
12 that was quite contentious. There were some other
13 very contentious aspects of that policy. We were
14 looking at some possible fees to provide some
15 revenues to do things like remove the dilapidated
16 docks and improve shoreline condition, that was quite
17 contentious, and those fees were not put into place
18 because of what we heard from the public.

19 I'm not sure specifically what you're
20 referring to, Miles, but just in terms of how we
21 engage the public, we sent out 10,000 direct mail
22 notices about our first public meeting. That
23 included people who had gotten permits in the past
24 two years. It included conservation and

25 environmental organizations. It included local

1 elected officials. We went around and talked to
2 local elected officials prior to having the meetings
3 to try to spark interest.

4 We also, as a result of the public
5 involvement, had lake user associations form up
6 around several reservoirs because people were
7 interested in having dialogue with us. We met with
8 the Tennessee Valley Association of Governments that
9 Miles is with.

10 We also, as we neared the end of that
11 process, pulled together a focus group that Miles
12 participated with, along with conservationists,
13 property owners, and the diverse stakeholders that we
14 had met with to look at how we were going to
15 communicate back to the public, how we get the
16 messages across about where we were with the review.
17 So it was a very interactive process and we learned a
18 lot through that process that can be applied through
19 future efforts down the road.

20 I don't think I have hit your issue
21 though, Miles.

22 MS. MILES MENNELL: I just wanted you
23 to talk about it in general and to remind us all the
24 process you went through. You did. Background

25 information is what I was looking for.

1 MS. TERE MCDONOUGH: Great. Thank
2 you.

3 FACILITATOR DAVE WAHUS: Any other
4 comments?

5 MS. MILES MENNELL: I would like to --
6 thanks again, Tere. I would just like to make a
7 comment. During the break a couple of us were
8 talking about, and I am going to turn this back over
9 to Michele, because she and Jackie and I were talking
10 about it, talking about some of the things that have
11 happened on our reservoirs that have been
12 grandfathered in, things that aren't in keeping
13 perhaps with the standards we would set for
14 development today or for use today, and I think
15 that's an important issue.

16 I think -- I understand that these
17 things that have been grandfathered are the things
18 that happened in the past, but the final point we
19 made in our conversation was, well, it doesn't have
20 to happen in the future so that we can begin to
21 establish some consistency for what we envision for
22 the future even though some of these things in the
23 past perhaps we can't undo. Anyway, I was listening.
24 So you guys talk about it.

1 MS. MICHELE MYERS: Yeah. I think the
2 point that I was making, as I am in a situation, of
3 course, I don't know Valley-wide, but I live on Lake
4 Barkley, which is joined -- which is managed by the
5 Corps of Engineers, joined by a canal with Kentucky
6 Lake which is managed by TVA.

7 When you're on the water there is a
8 distinct difference in how the shoreline is managed
9 and the public lands are managed. Corps of
10 Engineers' lands are very conservative. They don't
11 allow, you know, cutting of trees, vegetation. Docks
12 are only permitted in certain areas. Dock
13 construction has to be of certain size and
14 regulations.

15 And I am sure TVA has a lot of the
16 same criteria now, but what happens to areas like on
17 Kentucky Lake, Sled Creek and south where people in
18 the past 50 years have put up concrete barrier walls
19 and painted them pink?

20 They have these trolley type systems
21 that they hoist their boats on that look like rusted
22 railroad tracks and they go into a shed that looks
23 like a fallout shelter, and these are all up and down
24 between Kentucky Dam and Paris Landing every mile of

25 the shoreline. Now, there are very, very nice homes,

1 you know, very expensive real estate.

2 At what point are these people going
3 to be required to bring those things up to what I am
4 assuming are current TVA standards where you don't
5 allow those things anymore?

6 It's definitely not pleasant to the
7 eye and it's definitely not pleasant to the lake
8 user. Whereas, on Barkley Lake, you know, you don't
9 see any of that. Now, the residents of Barkley Lake,
10 yes, they complain because they can't cut a tree, but
11 your erosion and all of those things don't occur.

12 FACILITATOR DAVE WAHUS: So are you
13 suggesting that there should be a point in time
14 where -- or some specific indicator or something
15 that -- after which those would not be allowed?

16 MS. MICHELE MYERS: Well, I think
17 that's the question is, you know, what -- my first
18 question is: What is the policy currently when that
19 land changes hands, if it's ever sold, are those
20 facilities required to be removed? And, you know,
21 what is the process then for repermitting or bringing
22 the lands back to the original state?

23 FACILITATOR DAVE WAHUS: Tere or Kate,
24 would you answer that?

DR. KATE JACKSON: I'll let Tere do

1 it.

2 MS. TERE MCDONOUGH: One of the issues
3 that was pretty contentious in the shoreline
4 management initiative was, what do we do with those
5 existing structures and existing uses that are out
6 there?

7 And really our focus and our emphasis
8 was on the future, kind of like Miles mentioned
9 before, looking at that shoreline that's undeveloped
10 now and how will it develop down the road, as opposed
11 to trying to go back and change past practices,
12 that's, you know, pretty sensitive and pretty touchy
13 with people.

14 So the approach that we take is unless
15 the structure is dilapidated, unless it's presenting
16 a hazard to other people because it's falling apart,
17 we have grandfathered those structures to remain
18 there. Now, that doesn't mean that at some point
19 down the road TVA might not look at that and view it
20 differently, but in light of the comments that we
21 received it made a lot of sense to put our focus on
22 the future and let those folks that had past
23 practices that were permitted in that time continue
24 to use those structures. It made sense then. It

25 still makes a lot of sense to me today.

1 You know, that would require a lot of
2 our time and effort and attention to go back and
3 change those uses, and I think we have got more
4 important conservation efforts to undertake.

5 FACILITATOR DAVE WAHUS: Michele, did
6 that answer your question?

7 MS. MICHELE MYERS: Yeah. I'm not
8 sure it's not something that should be looked at, you
9 know, in the future. Like I say, I am not familiar
10 with other reservoirs. I've been on Norris and
11 different ones, but, you know, I still think it's an
12 important issue, you know, and it may at some point
13 should be revisited.

14 FACILITATOR DAVE WAHUS: Okay. Thank
15 you. Jackie.

16 MS. JACKIE SHELTON: I agree with
17 Michele wholeheartedly. And also, it could go back
18 to objectives. An objective for the TVA would be in
19 the long-range plan to enhance and never take away
20 from the beauty of the lake, and that, in itself,
21 would include all of those plans that we make and all
22 of those criteria we set up, extremely important for
23 those people who build docks and so forth on the
24 lake.

I know this is a time-consuming thing,

1 and you probably already have this in place, but --
2 and thinking in terms of lake associations springing
3 up and this sort of thing, having lived and
4 participating in all associations, there are always
5 fees, there's always fees, and up front -- up front
6 there possibly could be a fee which the TVA could --
7 homeowners, when they go in there, a fee that would
8 cover maintenance or a possibility of removal later
9 on, and this could be stockpiled for that purpose.

10 Now, I am sure this is a hot button,
11 no doubt, but TVA is a steward of this land. It's
12 their responsibility to do the things that they feel
13 are the most important and to continue with the
14 enhancement of the beauty of the lakes.

15 FACILITATOR DAVE WAHUS: Thank you.
16 Greer, I believe you were next.

17 MR. GREER TIDWELL: Back home I serve
18 on the Board of Zoning Appeals, and we have the same
19 exact issue that hits up in terms of the difference
20 of going forward and the grandfathering of homes and
21 structures that were built prior to the zoning rules.
22 There's a distinction between repair of an existing
23 grandfathered structure and adding on or rebuilding,
24 and when you get to that point it's a little bit of a

25 gray line.

1 But in answer to TVA's questions about
2 a model, I think one of the aspects of success of a
3 local Zoning Appeals Board is we are residents -- the
4 three of us that sit on the board are residents of
5 that community and we end up having to make those
6 tough decisions looking our neighbors in the eye
7 across the table, and that may be a model for TVA to
8 consider. Although, it gives up some of TVA's
9 authority when it gets to the point of approving
10 variances from the current standards or deciding when
11 someone is adding on to something that doesn't apply
12 with the current standards, giving some of that
13 authority back to a local entity, perhaps created
14 specifically for lakeshore -- you know, lakeshore
15 standards.

16 FACILITATOR DAVE WAHUS: Thank you.
17 Ed.

18 MR. ED WILLIAMS: I agree with Michele
19 also. And also, something that she said made me want
20 to switch gears a little bit. I think just like our
21 reservoirs and rivers are -- sometimes vary in their
22 uses and management styles, the Corps of Engineers, I
23 took some pictures this past spring of what I wanted
24 to be the poster child for Tennessee and the Little

25 Red River and the White River tributaries and the

1 White River itself where there's just rampant
2 development and boat docks every few hundred yards
3 and Tennessee trailer trash, everything you have
4 described has moved over to Arkansas, I can assure
5 you. It's the worst looking river I have ever seen
6 and one of the best trout fishing in the world. The
7 world record brown trout came out of the Little Red,
8 and I fish there.

9 I guess we're fortunate, particularly
10 in the Upper Tennessee River system, which they know
11 a lot better, but the Clinch and the Holston and
12 Watauga because of farm land preservation and good
13 farming standards and farm ethics and TVA and others
14 and the National Forest Service, those riverways are
15 incredibly well preserved. The riparian habitat is
16 beautiful. It's relatively undeveloped and it's a
17 beautiful agricultural setting.

18 I would love to see TVA expand what
19 they are doing. Bridgette and I were talking, there
20 are a number of programs that they are doing with the
21 RC&D councils and with the different NRCS groups,
22 getting the cattle out of the rivers, that's the
23 Clinch, Powell, Holston and Watauga, Laura, Holston
24 and Watauga, but I would love to see those programs

25 expanded to encourage conservation easements beyond

1 the flowage easements that protected development
2 and -- in a voluntary way, at least I think that's
3 the best way to sell it, along those riverways where
4 we could prevent rampant development like I saw on
5 the White River tributary system.

6 Again, TVA is doing a great job of
7 partnering with some of the agricultural groups to
8 get the cattle out of the rivers and doing some
9 things like that. I think more could be done,
10 vis-a-vis conservation easements and more
11 preservation efforts to keep the rivers looking like
12 they do.

13 FACILITATOR DAVE WAHUS: Thank you,
14 Ed.

15 Phil.

16 MR. PHIL COMER: I will need some help
17 from Tere on this one, but this is in response,
18 Jackie, to your comment about perhaps TVA could
19 consider putting a fee up front that could be a
20 source of income to deal with some of these
21 grandfathered bad situations.

22 As I recall, Tere, and I am not real
23 comfortable with my memory on this, the first
24 proposal that you-all made in the shoreline

25 management initiative included -- and I want -- what

1 I want to remember is a \$1,000 fee, and the
2 justification, that may be more than it was, but
3 that's what sticks in my mind, and that was a fee if
4 you wanted to put a small -- that was the fee period
5 if you wanted to put a new modest boat dock in front
6 of your property.

7 And the justification for that larger
8 fee was not just the time involved in processing the
9 application, which was what was finally settled upon,
10 but it was indeed to build up a source of money that
11 could be used to eliminate those unsightly
12 grandfathered things that end up being abandoned
13 quite often, and, boy, that -- you talk about
14 touching a hot button, Tere, as I recall, that
15 absolutely -- just 90 percent of the public just
16 absolutely went through the roof over this and people
17 were just incensed that it was just a highway robbery
18 and this, that, and the other.

19 There was not any feeling of, well,
20 gee, that's a good source of money so that TVA can
21 come in -- some of these things are not only
22 unsightly, some of them are really safety hazards
23 that have been abandoned. And TVA really, I think,
24 had to really abandon that concept as a source of

25 money. So what they ended up with was just a fee

1 that really involves the processing of that fee and
2 somebody coming out to inspect it and this, that, and
3 the other.

4 Is that right, Tere?

5 MS. TERE MCDONOUGH: There were
6 actually two dimensions to the fee proposal, Phil.
7 There was the \$1,000, but what it was was a
8 performance deposit type fee to make sure the
9 structure was built meeting the standards and the
10 requirements and maintained.

11 The other dimension was a \$100 annual
12 fee that was envisioned to be much like your vehicle
13 registration. It would be a dock registration and
14 there would have been a license plate for the dock,
15 and those revenues then would have been used, like
16 Phil said, to remove delapidated structures, to do
17 litter and trash cleanup around the shorelines and
18 other shoreline improvement work. And I have never
19 done anything in my life that made people so angry.

20 MR. PHIL COMER: It was unbelievable.

21 MS. TERE MCDONOUGH: That just really
22 was a contentious proposal, and it really took
23 people's focus off of everything else we were trying
24 to do for a good period of time. We decided it just

25 did not make good sense to move forward with that.

1 MR. PHIL COMER: As I recall, Tere,
2 you-all waited almost a year until that sort of
3 settled down before you came back with the final
4 shoreline management initiative. It was
5 unbelievable. You're talking about touching a hot
6 button, I mean, Tere was not safe, nor were some of
7 your other people in some of the lake areas that
8 were -- people were just incensed about it.

9 FACILITATOR DAVE WAHUS: I'm going to
10 ask if we could come back to the issues at hand.
11 Thank you, Phil. Paul was next.

12 MR. PAUL TEAGUE: I was talking about
13 shoreline management, I was going to discuss that,
14 but if you want to go back, that's fine.

15 FACILITATOR DAVE WAHUS: If the
16 shoreline management issue that you want to talk
17 about deals with the questions at hand, please feel
18 free.

19 MR. PAUL TEAGUE: They have them a
20 model about shoreline management, if I am not
21 mistaken. We discussed it last year. We were on a
22 land management committee and we agreed with their
23 policy.

24 This policy was started about eight

25 years ago, because I know I was involved prior to

1 eight years ago or about that time also, and that
2 was -- and we agreed they couldn't cut anything
3 larger than three inches -- 36 inches above the
4 ground and you could kill poison ivy but you couldn't
5 kill various bushes or what-have-you. But they do
6 have a policy, and even though it's pretty stringent
7 for somebody that lives on the lake, it is
8 acceptable, I think, to most people.

9 Now, the fee issue really touched me
10 because you said they dropped the fee. Well, it cost
11 me \$5,000. I want my money back. That money was
12 supposed to have been used to buy additional property
13 somewhere else, an exchange, and that's what I was
14 referring yesterday to the ransom issue on that.

15 But we do have a policy. It was
16 discussed last year on the land committee, and it was
17 acceptable to us on the committee and it was
18 acceptable to the whole commission as a group.
19 That's not the issue on that.

20 FACILITATOR DAVE WAHUS: I appreciate
21 that.

22 MR. PAUL TEAGUE: Now, on
23 grandfathering, there ain't no way you're going to
24 take those grandfathers away without getting your

25 throat cut, but we can -- as Michele said, you can

1 set standards for making upkeep and it would improve
2 it, because there's a lot of them in my area that
3 Michele was talking about probably is where it was,
4 but I think we can set standards, if for nothing else
5 as Michele said, from a safety standard you can
6 handle it from that way.

7 FACILITATOR DAVE WAHUS: Thank you.
8 Appreciate you reminding us of what we did last year.

9 Michele.

10 MS. MICHELE MYERS: My comment just
11 refers back to point B on our question, other land
12 management, and then it goes back to Tere's point.
13 The Corps of Engineers does require the permitting
14 process with the little license tag that you put on
15 your dock. And, you know, they do have a ranger that
16 comes out and they have rangers on the reservoirs and
17 they monitor these facilities constantly. If you put
18 a swing -- a swing on your dock you will likely,
19 within the next month, get a letter saying you cannot
20 have that swing on your dock or if you put a grill,
21 so, you know, they have people out there monitoring,
22 but they do have the little license plate permit
23 number that goes on the dock.

24 FACILITATOR DAVE WAHUS: Okay. Thank

25 you. So the Corps of Engineers have -- some parts of

1 their program might be a model to look at. Okay.

2 Yes, Lee.

3 MR. LEE BAKER: I just wanted to
4 comment on that. It's a new idea for me. That seems
5 to make a lot of sense from an annual basis because,
6 if nothing else, even if it was -- I hate to use the
7 word token amount of money, but even if it was just
8 \$25 a year, at least when that person failed to apply
9 for its annual permit, you would know that that had
10 been abandoned and you would have some tracking
11 mechanisms. So I like that idea. It makes some
12 sense.

13 FACILITATOR DAVE WAHUS: Other
14 comments?

15 Paul.

16 DR. PAUL TEAGUE: Hey, Lee, that
17 approach is raising taxes. That's a tax on the dock.

18 MR. PHIL COMER: And you can't assume
19 it's been abandoned. They forget.

20 FACILITATOR DAVE WAHUS: Other
21 comments?

22 Well, what I have heard so far is that
23 you're generally impressed with the TVA's land
24 planning process, that education is a -- is going to

25 be a continuing challenge, education of those people

1 who are -- who would be involved in the planning
2 process or involved in subsequently asking for a
3 change in the planning or some type of development on
4 or adjacent to TVA lands.

5 The Community Appeals Board may
6 provide a model that TVA might want to consider
7 particularly when there are members -- in this
8 particular case I believe Greer said there are three
9 members from the community that are making the
10 decision, and you make decisions based on how it
11 affects your community, whether it degrades your
12 community, improves your community, et cetera.

13 I'm not sure I got this next item down
14 correctly, and I don't remember who made it, but
15 someone suggested that we should work with the --
16 that TVA should work with RC&D councils. Did I get
17 that correctly? Is that correct, RD&D councils?

18 MR. ED WILLIAMS: Yeah, that's the old
19 soil conservation services.

20 FACILITATOR DAVE WAHUS: And that
21 conservation easements should be more widely used to
22 protect some of the lands. TVA -- you recognize that
23 TVA does have a shoreline management policy and a
24 model that they are using and it's working quite

25 well. However, they could look at the shoreline

1 management program that Corps of Engineers has for
2 some ideas that might strengthen the TVA program.

3 Did I capture that correctly, Michele?
4 Okay. Did I capture your intentions and your
5 thoughts accurately? Am I in your way? Can everyone
6 see the words?

7 MS. MILES MENNELL: I just want to
8 have a follow-up comment. In all of the discussions
9 we have had we keep coming back to education, and we
10 have talked about that in very vague terms. I think
11 perhaps it would be helpful to talk about perhaps
12 some ways for educating the public, not public
13 service announcements.

14 How do we go about that?

15 We have identified that as an
16 underlying issue in all of our conversations, that
17 people simply don't have a clue in many cases about
18 what's going on and that we have fallen short. And
19 we, being rhetorical, my organization or TVA or the
20 navigation industry or distributors or whomever, but
21 we don't seem to be communicating the value that we
22 already have, much less how we're going to sustain
23 and maintain it. So I think education is -- it
24 keeps -- we keep coming back and back and back to the

25 issue of education.

1 FACILITATOR DAVE WAHUS: We have about
2 25 minutes before the public comment period would
3 start. Are you done talking about this? Do you want
4 to talk about education? Mr. Chairman, what is the
5 preference or what is the preference of the group?

6 MS. JULIE HARDIN: Before we leave
7 this and get into education, I would like to go back
8 to one of our presenters, well, as a matter of fact,
9 all of our presenters yesterday, Jonathan Davis
10 stated that they had a very special policy as a land
11 management model that they had to go through to
12 follow before any residential development could
13 happen on public lands for profit, and I think that
14 that might be a land management model that I would
15 like to see TVA incorporate and use.

16 FACILITATOR DAVE WAHUS: At least
17 consider.

18 MS. JULIE HARDIN: Exactly.

19 FACILITATOR DAVE WAHUS: Are there any
20 objection to that?

21 DR. STEPHEN SMITH: No, not all.
22 Before we make a decision about spending this time
23 on, you know, sort of education --

24 FACILITATOR DAVE WAHUS: We haven't

25 made that decision yet.

1 DR. STEPHEN SMITH: I would like to
2 get a sense of how many people we have for the public
3 comment session, and I think it would be very
4 valuable to -- if we need to, to add a few minutes to
5 that to make sure everybody has an opportunity to
6 communicate exactly. So maybe ten minutes and then
7 maybe add ten minutes to the public listening session
8 to make sure we give everybody an opportunity --

9 MS. JULIE HARDIN: I agree.

10 MR. BRUCE SHUPP: That's a good
11 thought, Stephen, and I was going to suggest that.
12 We have 14 people registered so far, and I am sure
13 there are going to be more. Some of those people are
14 probably going to be duplicates, and we will ask
15 again like we did in the past, that if your statement
16 has been made, when your turn comes decline. But
17 certainly adding ten minutes would not hurt,
18 particularly if the Council wants to ask questions
19 following all the presenters, and I would like to do
20 that.

21 FACILITATOR DAVE WAHUS: You can start
22 right now. What's the preference of the Council? In
23 fact, I'll turn it back over to you, Mr. Chairman,
24 to --

MR. BRUCE SHUPP: Are we set for that?

1 Everybody nod their head. Okay. Very good, that's
2 what we will do.

3 Now, some of these presenters signed
4 up yesterday. I am not sure they are all here yet.
5 It's a first-come/first-serve basis, I want all the
6 presenters to understand that. That's the way the
7 Council has been set up, first-come/first-serve.

8 Again, if your subject, your point has
9 been made, it certainly benefits the discussion if
10 you say, I pass, when we come to your name. And
11 we're going to ask now that about four minutes be
12 allotted for each statement. There will be no
13 questions from the Council to the individual after
14 you speak. We will hold all the questions to the
15 end, but we ask you to stay in case there are some
16 questions, to the end of all the presentations.

17 Any questions from anybody before we
18 get started?

19 Okay. We go in order, and we will
20 recycle them if they are not here, the ones that
21 signed up yesterday.

22 Mr. Cavagnini, you're on deck.

23 MR. JIM CAVAGNINI: Good morning. I
24 would like to express my appreciation to the Council

25 for the opportunity to express my opinion. My name

1 is Jim Cavagnini, and I'm a resident of Jefferson
2 County. My wife Barbara and I have a home on Indian
3 Creek off Douglas Lake. We built our home about ten
4 years ago, and when I retired five years ago we made
5 it our permanent residence.

6 Having spent 35 years in a corporation
7 where development annual operating plan and strategic
8 business plans included objectives, I went to the
9 internet and read the six objectives of TVA and feel
10 that TVA has managed their first three objectives,
11 those being to meet the customer needs by providing
12 affordable power; the second one, to continue the
13 trend of debt reduction; and the third, to reduce
14 TVA's deliverable cost to the market.

15 However, I believe they have ignored
16 the last three objectives concerning how they -- TVA
17 manages the lake levels. The fourth objective states
18 in part, to enhance the quality of life in the
19 Tennessee Valley with the strategy that balances
20 diverse benefits, including recreation to the public
21 good.

22 Well, my experience this year was that
23 the lake levels were dropped significantly with no
24 explanation or advance notice, to my knowledge. Our

25 boats had to be pulled out in August. Yet, last year

1 we were able to leave our boats in until the middle
2 of September.

3 This affected our family personally in
4 that our children and seven grandchildren were coming
5 down from Indianapolis for the Labor Day weekend to
6 avail themselves of the water to swim, to boat, to
7 water ski. Nothing -- none of those happened.

8 The fifth objective is to demonstrate
9 leadership in supporting sustainable economic
10 development throughout the Tennessee Valley. With
11 the uncertainty of what the water level will be,
12 especially on Douglas Lake, going from a 1,000 feet
13 to 940 feet, a drop of 60 feet, where 30 feet would
14 probably be more than adequate, the results have
15 definitely had a detrimental effect on drawing people
16 and industry to this area. I have had friends who
17 have visited us in hopes of relocating, only to go
18 elsewhere.

19 The last objective states, to
20 strengthen working relationships with all of TVA
21 stakeholders. Unfortunately, the people I have
22 talked to have developed an opinion of TVA's
23 reputation, and I'm sorry to say, is one of arrogance
24 in doing whatever they wish as they see fit

25 concerning water levels. Again, Douglas Lake is

1 dropped approximately 60 feet while other lakes have
2 a minimum lake fluctuation.

3 I feel that TVA does not have all of
4 their stakeholders', customers', taxpayers' interests
5 at heart. I hope that the Hilleary study, which I
6 understand is considering the users of the lake and
7 the impact of the drawdown on property values, along
8 with TVA's Reservoir Operation Studies which is to be
9 completed in October of 2003, will allow decisions in
10 the management of lake levels to better serve TVA's
11 six strategic objectives and improve the economic
12 benefits to this region and the Tennessee Valley.

13 I thank you.

14 MR. BRUCE SHUPP: Thank you very much.
15 I failed to mention that Dave Wahus, our facilitator,
16 will stand -- if you're going long, he will stand
17 with a minute remaining in your presentation so you
18 will know when you start wrapping up.

19 The next presenter is -- I'm sorry. I
20 can't read the last name, Clebsch, Meredith Clebsch.

21 MS. MEREDITH CLEBSCH: I recognize
22 anything.

23 MR. BRUCE SHUPP: Is that close?

24 MS. MEREDITH CLEBSCH: Close enough.

25 It's been worse.

1 Again, thank you for allowing us this
2 opportunity. I'm Meredith Clebsch. I live in Loudon
3 County and I've had a business there -- a native
4 plant business for about 20 years near Tellico and
5 Ft. Loudoun Lakes.

6 My background is in botany, ecology
7 and horticulture. I am currently on the boards of
8 WATER (Watershed Association of Tellico Reservoir),
9 and Keep Loudon County Beautiful, but I'm here today
10 simply as a concerned citizen.

11 Before I launch into the negative
12 issues I have with TVA, let me say that I enjoy a
13 wonderful relationship with our local watershed team.
14 They are all good people I trust, and they all care
15 deeply about the resource and public lands. I hope
16 this council will help them to do that.

17 Listening to the discussions here
18 yesterday, I was pleased and surprised that you hit
19 on many of the topics I feel are urgent and in need
20 of attention. Virtually all of my serious concerns
21 with TVA involve public lands. So the No. 1 issue I
22 see a need to address is the lack of a comprehensive
23 valley-wide policy concerning TVA's stewardship of
24 public lands.

The remainder of my concerns could be

1 addressed within this policy, and I would like to
2 address them briefly. Lands should -- we talked
3 about this yesterday. Lands should be used for the
4 purpose under which they were acquired. This was
5 mentioned, and I think it's a logical basis for a
6 very fair policy, especially when dealing with lands
7 acquired through eminent domain.

8 A policy should eliminate any
9 localized piecemeal decisions that violate the intent
10 of NEPA. For example, Rarity Point. I was involved
11 in the Tellico Landing fiasco in '99 and also now in
12 Rarity Point. There seem to be no criteria for why
13 this particular prominent developer happened to be
14 the chosen one. There's been a given plausible --
15 there's been no given plausible explanation for the
16 sudden change in land use priorities from public
17 green space to private development, residential
18 development that would allow even considering selling
19 this public land.

20 There is a distinct stench of nepotism
21 emanating from the developer and the Board of TVA.
22 True or not, I have absolutely no idea, but that's
23 what the public will always suspect, and the image of
24 big bad TVA is once again perpetuated. All could

25 have been avoided with a more open and clear policy

1 that at least covered Tellico Reservoir.

2 There is a strong stakeholder interest
3 in protecting and maintaining public lands for the
4 future that should be taken more seriously by the
5 upper management and Board of TVA. TVA has always
6 been more than a utility, and we all know that, and
7 so could balance stakeholders -- should balance the
8 stakeholders' needs accordingly. As a corporation,
9 an agency or a utility, it has responsibility for the
10 resources it depends on.

11 Another concern is enforcement of
12 existing environmental controls. Just briefly, I
13 think you must have talked about some shoreline
14 management. I think some of those controls are here
15 but are not being enforced.

16 Changes in policies and the makeup of
17 the TVA board should not allow for such wide
18 interpretations of policies and management plans as
19 to threaten the resource it is charged with
20 protecting.

21 Craven Crowell said in '99, it is
22 clear that these large tracts of undeveloped land
23 should remain available for the public use and not be
24 converted to residential and private uses, and how

25 we're facing that land being asked for again. The

1 intrinsic values of the property -- of these
2 properties for the future, when all private lands are
3 developed, must be recognized now by TVA.

4 One of the more important things that
5 you talked about yesterday that I think is really
6 important is that TVA needs to change its approach
7 and definition of economic development to reflect the
8 needs of the future.

9 Okay. I am close. We have all had
10 part in creating the story of the economic
11 development problems, but this is past the time for
12 another story. Concerning TVA's role in stewardship
13 of public lands, I see the new story as one of a
14 long-term vision of service to and also nurturing of
15 the resources we're all so dependent on, not a
16 continuation of dominance over them for short-term
17 gain for the few. I am thrilled to see this Council
18 heading in this direction, and I hope your wisdom
19 makes it to the 11th floor.

20 Thank you.

21 MR. BRUCE SHUPP: Meredith, you can
22 submit your written comments to go into the record,
23 if you would like.

24 Next is William Minser.

DR. STEPHEN SMITH: He's not here

1 right now.

2 MR. BRUCE SHUPP: William Minser is
3 not here right now. We will save him for later.
4 Okay.

5 Next is Mike Butler from the Tennessee
6 Conservation League. Not here yet.

7 Timothy Narron, Cleveland, Tennessee.

8 MR. TIMOTHY NARRON: Thank you for the
9 opportunity to speak. I'm here today actually
10 representing quite a few people.

11 The biggest concern that a lot of
12 people in the -- in the Chattanooga, Cleveland,
13 Bradley County area is that TVA is not listening.
14 They have got all of these wonderful things that
15 they've put in place where they say they are
16 involving the public, but they are not really
17 listening.

18 The Ocoee river is a huge, huge part
19 of tourism in Bradley, Chattanooga, Polk County, and
20 TVA has decided we're not going to release water
21 anymore. You know, it's unconscionable to me that
22 TVA can say, you know, if you guys want water in this
23 river, you're going to have to pay us for it. It's
24 our river. It's a public resource. It belongs to

25 us. I can't understand how in the world you could

1 charge me for it.

2 You know, to say that you're balancing
3 electric generation with all of these other things,
4 and yet, 90 percent of the time on the Ocoee it's
5 generating power and you're not even thinking about
6 recreational use unless we pay you to give us
7 recreational use.

8 The Ocoee River is dry next year.
9 There is no plans on the Board to release water on
10 the Upper Ocoee. The Upper Ocoee has a \$26,000,000
11 roadblock basically sitting up there. There's going
12 to be no whitewater. It's a world class whitewater
13 venue, and there's not going to be any whitewater
14 coming by it.

15 Twenty years ago when I was a lot
16 younger I came to this area to paddle, and I looked
17 down and I saw a dry riverbed. There was nothing but
18 a dry riverbed where the river used to be. There
19 were trees and shrubs going in the middle of the
20 riverbed. There was no fish. It was a very dead
21 area. There were no trees. And I was told that it
22 was the biggest blight on the planet you could see
23 from outer space.

24 I come back, and with the Olympic

25 center and with the work of a lot of organizations

1 and a lot of people doing a lot of tremendous amount
2 of effort, there's trees everywhere. There's a
3 beautiful river flowing. There's a beautiful
4 whitewater center. And now, five years later, TVA is
5 pulling out. Nobody else is pulling out. You know,
6 the people are coming. The businesses are coming.
7 You know, the local businesses are doing everything
8 they can, but TVA is pulling out. They are saying,
9 okay, we're not going to keep releasing water.

10 You know, I have got some points I
11 want to make. TVA has taken off an important segment
12 of the local economy, the riverbase tourism. That
13 tourism is a big, huge cornerstone in tourism in that
14 area and you're cutting it out.

15 The public in the area, they want the
16 water. TVA is not listening to them. I guess that's
17 what it really comes down to is that even this board
18 was formed as a way for the public to talk to TVA,
19 but we come and we talk to you and you don't -- and
20 nothing happens. No one listens. We still don't
21 have water in the Ocoee.

22 I will just put this list of people
23 and their comments in the record, you know. There's
24 hundreds and hundreds of people, big business people,

25 little business people, news, whatever, they want

1 water in the river, and no one is listening.

2 FACILITATOR DAVE WAHUS: We'll take
3 your comments.

4 MR. PAUL TEAGUE: Excuse me. Would
5 you identify yourself, please?

6 MR. TIMOTHY NARRON: I'm Timothy
7 Narron. I am a private citizen.

8 MR. BRUCE SHUPP: Thank you, Tim. The
9 next speaker is Dale Robinson, also from the Ocoee
10 River.

11 MR. DALE ROBINSON: Can you give me a
12 second? I just walked in.

13 MR. BRUCE SHUPP: You have four
14 minutes.

15 MR. DALE ROBINSON: Thank you very
16 much.

17 My name is Dale Robinson. I live at
18 4257 Buffat Mill Road here in Knoxville, Tennessee.
19 I am one of several regional coordinators for
20 American Whitewater, which I will explain a little
21 bit about in a second, but basically American
22 Whitewater is a national group of whitewater
23 canoeists and kayakers who had the opportunity to
24 share in conservation efforts, as well as promoting

25 access efforts to the nations' rivers and streams.

1 I have been affiliated with American
2 Whitewater for some time. I have some information
3 here. I have basically a statement to read on behalf
4 of American Whitewater. As I said before, I am a
5 regional coordinator for this national organization.

6 I'm offering remarks on behalf of
7 American Whitewater. Some of you have had an
8 opportunity to meet Kevin Colburn, American
9 Whitewater's Eastern Associate for Access and
10 Conservation. Kevin is not able to be here today,
11 and as regional coordinator, I was asked to present a
12 statement on behalf of American Whitewater.

13 I wish to add that the Tennessee
14 Citizens for Wilderness Planning, TCWP, joins in its
15 support of American Whitewater's position. Tennessee
16 citizens for Wilderness Planning is dedicated to
17 protecting natural lands and waters through public
18 ownership, legislation, and cooperation with the
19 private sector.

20 American Whitewater is a national
21 organization dedicated to conserving and restoring
22 America's whitewater rivers and enhancing
23 opportunities to enjoy them safely. Access is of
24 particular importance to our mission because people

25 must be able to access the country's rivers and

1 streams in order to enjoy them. American Whitewater
2 has identified access to the Ocoee River as the No. 1
3 item of interest and action amongst our membership.

4 To help bring these issues to the
5 public, American Whitewater organized the Ocoee
6 symposium in May 2001. This symposium received
7 significant media coverage and attendees were far
8 more united and informed than they were when they
9 arrived. The overriding take-home message emerging
10 from the symposium was the common interest to restore
11 whitewater flows to the Upper Ocoee among a diverse
12 set of stakeholders.

13 Locally, the Chota Canoe Club in
14 Knoxville, the East Tennessee Whitewater Club in Oak
15 Ridge, the Tennessee Valley Canoe Club in
16 Chattanooga, and the Eastman Hiking and Canoe Club
17 are organizational affiliates of American Whitewater.

18 The Upper Ocoee, you know this, has
19 been the site of the 1996 Olympics, has been the site
20 of the World Cup Slalom, and the American Whitewater
21 Ocoee Freestyle events, including recently the 2002
22 Teva Whitewater National Championships, which were
23 held October 11th through 13th.

24 Next year there will only be two days

25 of water in the Upper Ocoee, and after that there

1 will be no more water in the river. TVA will be
2 taking all of the public water for generation and
3 leaving the river dry in direct opposition to the
4 public wishes. The river belongs to the public and
5 we will not be manipulated into paying for what we
6 already own.

7 The RRSC and TVA itself told AW last
8 year that the ROS, which is the Reservoir Operations
9 Study, was our public process to correct TVA's
10 mismanagement of the Upper Ocoee River. We fully
11 participated in the ROS scoping process, garnered
12 overwhelming support for recreation, and the Ocoee in
13 particular. 34 percent of commenters in the ROS
14 thought that recreation should be TVA's top priority,
15 while only 1 percent thought that was actually the
16 case.

17 Roughly 50 percent that attended
18 public meetings thought that TVA would not listen to
19 what the their comments were. These people were
20 right as evidenced by the final scoping document for
21 the ROS in which TVA unilaterally excluded the Ocoee
22 from analysis.

23 American Whitewater is an active
24 member of the public review group which oversees the

25 ROS. Even in this role we were not able to have the

1 public's concerns addressed. We have no public
2 process. The ROS has failed, failed Southeastern
3 Tennessee and fail to meet its objectives.

4 The basis for the debate around the
5 Ocoee goes back to 1997. A 1997 Environmental Impact
6 Statement done by the U.S. Forestry System and TVA
7 would show that the river is worth 30 times more when
8 used for recreation than when it is bypassed for
9 power generation.

10 About ten seconds. Thank you.

11 The USFS, American Whitewater, and the
12 TVA itself all agreed that 74 days of recreation
13 releases annually in the Ocoee was the best use of
14 the resource. Then in one line the TVA undercut the
15 entire process. They stated simply that they would
16 not have -- they would have to fully reimburse for
17 any foregone power generation -- they would have to
18 be reimbursed for any foregone power generation, a
19 decision that never underwent public scrutiny. Our
20 public process was pulled from beneath us.

21 In conclusion, we now ask that you
22 recommend that the Board of TVA live up to its
23 obligations as stated in the 1997 EIS and to its
24 obligation to a fair public process, specifically

25 this will mean that the TVA should not -- should

1 provide the promised 74 days per year free of charge
2 and that the Ocoee should be addressed in the ROS as
3 the public requested.

4 Thank you.

5 MR. BRUCE SHUPP: Thank you. I want
6 to go back to those we may have skipped over because
7 we started early. William Minser, are you here yet?

8 MR. WILLIAM MINSER: Yes.

9 MR. BRUCE SHUPP: You have the floor.
10 You were not here to hear, you have four minutes,
11 William, four minutes.

12 MR. WILLIAM MINSER: I'm Billy Minser,
13 President of the Foot Hills Land Conservancy. I am
14 also a teacher/researcher in the Department of
15 Forestry, Wildlife and Fisheries, at UT where I have
16 been for 30 years.

17 I am an advocate for conservation. I
18 am on the Board of the National Wild Turkey
19 Federation, Policy Board for the Tennessee
20 Conservation League, and a bunch of other
21 organizations.

22 Thank you resource people for being
23 here and using your personal time to help guide TVA
24 in managing our publicly owned natural resources that

25 they have jurisdiction over. We live in one of the

1 prettiest places in the country, the mountains, the
2 streams, the rivers, the lakes, the climate make this
3 a tremendous place to live. The quality of life that
4 those natural resources provide is one reason that we
5 have -- we're able to have such successful economic
6 development, those natural resources.

7 TVA is -- has jurisdiction over more
8 than 200,000 acres, I think 238, of public land,
9 11,000 miles of shoreline, 40 plus lakes, and those
10 help draw people to the region that help create good
11 economic development, maybe too good.

12 As evidence that natural resources are
13 a draw for public development, look at Sevier County,
14 Knox County, Blount County, even now Cobb County,
15 Greene county, Washington County, all experiencing
16 10 percent growth per decade, tremendous growth.
17 We're going to love our land to death.

18 We're going to use up those natural
19 resources that we have taken for granted for many
20 years. TVA's natural resources are no less valuable
21 than the Smoky Mountains National Park or Cherokee
22 National Forest, Big South Fork of the Cumberland
23 National Recreation area, and the Board is the
24 gatekeeper for that national treasurer.

1 control, electricity, economic development,
2 recreation, and management of those natural
3 resources. We have all witnessed the demise of our
4 natural resources that we have taken for granted
5 these many years.

6 I grew up here, spent most of my whole
7 life here, was born in the '40s, and especially
8 during the last 20 or 30 years -- early we saw people
9 leaving the country and moving to town, the reverse
10 has been true in the last 20 or 30, they're moving
11 from the town and going to the country. People are
12 retiring here from Michigan, Ohio, New Jersey, and
13 Bohrain. I know a guy that retired her from Bohrain.
14 So the reason they are coming is the natural
15 resource, a beautiful place, the quality of life, a
16 place to life.

17 Now, as a result of demise of these
18 natural resources, there's been a growing movement
19 for conservation of natural resources in this state,
20 in this country. Look at the Conservation Fund, the
21 Nature Conservancy, The Foot Hills Land Conservancy,
22 the Wolf River Conservancy, Tennessee Wildlife
23 Resources Agency, Park Service, Forest Service, we've
24 all been working together to try to protect those

25 lands.

1 And what's heart breaking for us -- in
2 the last about 15 years we have protected, bought
3 mostly, over 200,000 acres of land in Tennessee and
4 raised probably \$250 million to do it through
5 private, sometimes matched federal funds. What's
6 painful is on the front-end we're saving land, on the
7 back-end TVA is selling what we've got. There's a
8 hole in the bucket.

9 I will wrap it up in a second.

10 Why is this happening?

11 It's because TVA's Board of Directors
12 does not have a Valley-wide land use policy. This is
13 not right. And as a result, each Board that comes
14 along has a different policy. Flexibility may be
15 good but it may not be. We have Tellico Landing,
16 Rarity Bay, Sunset Bay, Little Cedar Mountain.

17 What's this teacher resort development
18 on a lake down in Alabama, that's public land. It's
19 not for sale. We don't sell off the national park or
20 the forest service. It's not for sale. And the
21 Board shouldn't be -- have the burden on them to
22 decide when every little developer comes along or big
23 developer -- if I wanted to try to buy a piece of
24 land on point 19, would they sell it to me? I don't

25 think so.

1 The law of eminent power, eminent
2 domain allow TVA to take and to buy this land, a lot
3 of it from adverse condemnation. That means that the
4 landowners didn't want to sell but they took it
5 anyway. This is one of the most oppressive acts that
6 both our government can inflict on a person. If it's
7 done for the right reason, I guess it's okay.

8 Do you remember Nellie McCall on
9 Tellico? They drug her out of her house and
10 bulldozed her house in front of her. Now, I am not
11 sure what that land is being used for today, whether
12 it's Tellico Village or what, but I'm getting down to
13 the bottom line and I will finish my four minutes.

14 The problem is TVA's Board does not
15 have a policy for land use management. What we
16 implore the Board to do is to develop an intensive
17 study using intensive and extensive public input to
18 come up with such a policy, and the policy should be
19 that there's no net loss of public lands that we own.

20 Now, if they can't do that, I guess
21 TVA could be broken up, sell power to Duke Power,
22 give navigation to the Corps of Engineers, give
23 natural resources management to the Forest Service or
24 somebody else that won't sell our lands, that's what

25 we want. We think the Board can do that.

1 We will be glad to help, all of these
2 groups across Tennessee, public citizens groups will
3 be glad to help them to do that, but until they come
4 up with a public land use policy across the whole
5 Valley and outside the Valley -- it's owned by the
6 people of the United States, it's not in East
7 Tennessee or the Tennessee Valley, then we're going
8 to continue to have these problems. We have to have
9 a wide-ranging land use policy for the Board of
10 Directors to follow.

11 MR. BRUCE SHUPP: Thank you, Mr.
12 Minser.

13 MR. WILLIAM MINSER: Thank you.

14 MR. BRUCE SHUPP: Mike Butler, is he
15 here?

16 MR. MIKE BUTLER: Thank you, Mr.
17 Chairman. My name is Mike Butler. I'm the Executive
18 Director of the Tennessee Conservation League. I see
19 a lot of friends here on the Regional Resource
20 Stewardship Council.

21 I wanted to start by saying that the
22 league has enjoyed a long history of a challenging
23 relationship and cooperative relationship with TVA.
24 There are a lot of good things that have come out of

25 us working with them. I wanted to kind of touch on a

1 few of those.

2 You're sitting in one of them. I
3 believe that some of the work that we did with TVA,
4 as well as a lot of the work that TVA has done on
5 their own, resulted in this body being formed, the
6 Federal Advisory Committee, and that is -- they
7 should be applauded for that because we had asked for
8 this body to be able to engage on issues like this.

9 The shoreline management initiative
10 you may be aware of. Right now we're working with
11 TVA on the power generation side to try to come up
12 with some right-of-way management volunteer programs
13 that will help reduce the cost to TVA to manage
14 right-of-ways and increase wildlife habitat across
15 the state.

16 The existence of the reservoir
17 management plans, we ask that they do those, and then
18 they responded very favorably. I think some of the
19 challenges that we have been faced with is the loss
20 of funding for the non-power side of the functions
21 that TVA manages, but they, again, have stepped
22 forward and said they are important enough.

23 What I want to discuss today is to
24 reiterate some of the points that are being made, the

25 importance of the lands that TVA holds. The league

1 firmly believes in a balance, and I want to take the
2 context of the balance that we're looking at from our
3 perspective, from a historical perspective.

4 I think it's safe to say, and I don't
5 have the numbers in front of me, but at one time TVA
6 owned several more hundred thousands of acres of
7 public land than they do now, and I am talking aside
8 from Land Between the Lakes. In the '70s there were
9 some large dispersements of tens of thousands of
10 acres. In the '50s I believe there were as well.

11 And I think that where the league is
12 coming from now is we're approaching a time where
13 what is left is not all that much and where it is
14 located is it's critically located. It is along the
15 shorelines. It is along the reservoirs. It is along
16 the areas that from an ecological standpoint, a
17 recreation standpoint, from a clean water standpoint,
18 which TVA has a stated goal of supporting, they are
19 critically important. And I think that this cast
20 these public lands in a little different light than a
21 typical forest service holding or a park service
22 holding.

23 From that I think that all the public
24 surveys that we have viewed show that the public is

25 resolutely behind keeping these public lands in

1 public ownership. And I bring this to a point
2 because recently the Conservation League's Board
3 addressed a proposal by LTR Properties looking at the
4 Tellico Reservoir proposal to acquire 118 acres of
5 public land, and our Board struggled through and
6 worked on a resolution to address that issue. And
7 where we came out on that was that we're opposed to
8 it for three reasons.

9 One is the ink is hardly dry on the
10 reservoir management land that defined the use of
11 this property before the proposal was put into play.
12 Those proposals are done with a lot of public input,
13 and I think that they represent a very important
14 desire by the public, and to run rough shot over
15 those is a dangerous thing to be doing.

16 Secondly, engaging these projects on a
17 piecemeal fashion we're concerned that it could be an
18 issue with the National Environmental Policy Act
19 specifically looking at -- and a way to address that
20 issue would be a comprehensive land use plan.

21 I think that the last things that I
22 want to cover very simply are that we support
23 strongly a comprehensive Valley-wide plan to address
24 land use policy. And the reason we support that is

25 because I think it will give TVA, as an organization,

1 and the Board, as private citizens representing the
2 organization, a template that will protect them as
3 much as will help the public as we move forward down
4 the road.

5 That protection is vital because our
6 fear is that if TVA is to lose the public stewardship
7 component of their business, there are people that
8 have been sharpening their knives in Washington, D.C.
9 that would love to see this organization dismantled.
10 If that happens, I think we all lose. That is the
11 threat that we see on the horizon, and that is the
12 threat we would like to see avoided.

13 I think that, as Mr. Minser mentioned,
14 there are a lot of folks that would rally behind TVA
15 in a very positive way. And I can see the day that
16 we go back and we ask Congress for funding for
17 non-power resources because we have a solidarity
18 among the Valley residents that support those things.

19 So those are my comments, and I
20 appreciate the opportunity.

21 MR. BRUCE SHUPP: Thank you,
22 Mr. Butler.

23 Tim Nicely from Cherokee Lake Users'
24 Association.

MR. TIM NICELY: Thank you for the

1 opportunity to speak. My name is Tim Nicely. I'm
2 not familiar with anybody here, doesn't seem to be
3 this morning. I'm a graduate from MTSU and run my
4 own company. I build hotels. I am a landowner on
5 Cherokee Lake.

6 I have heard you guys talk this
7 morning a lot about land use, and that's what I want
8 to talk about here just for a short minute or two.

9 We have had a project going on on
10 Cherokee for the last two years to acquire some
11 property to build a fish hatchery. Our crappie
12 population has been depleted very much in the last
13 ten years. So we have tried to acquire some property
14 to build a hatchery. And it has gone fairly smooth,
15 but if there is any way possible that you could
16 streamline some of your permitting processes or set
17 aside some properties in the future for public
18 organizations, such as the Cherokee Lake Users'
19 Group, which we have been working with the TWRA on
20 this project, but we need a couple more projects like
21 this to help ensure that fishing stays healthy on
22 Cherokee Lake.

23 So we know that in the future we're
24 going to need some more property usage, whether it's

25 backwater or whether it's a place that we have to dam

1 up to release fish into the lake. We just want you
2 to look at your policies to help us speed the process
3 up. It's been really slow.

4 One of the other things, I heard you
5 guys talking about some of the rundown shacks and
6 whatnot on some of your reservoirs. I don't know how
7 the protocol goes on who keeps up your public ramps
8 on Cherokee Lake, but I just happened to buy
9 32 acres, a million dollar piece of property on
10 Cherokee Lake, and sitting in front of my house is a
11 rundown TVA or TWRA boat ramp.

12 I would like for you to take care of
13 your own business before you try to take care of
14 somebody else's. It's been like that for a long
15 time, years and years. And the one up the road's
16 same way. Not to throw stones because I live in a
17 glass house, but I would like for you just to take a
18 look at yourselves. Being an educator, I taught for
19 a few years, and it's hard to teach educators
20 anything sometimes. They hear a lot. They process a
21 lot of information.

22 Can't help it but speak one word about
23 lake levels. I have been on Cherokee Lake since I
24 was a boy. I have seen the lake prosperous and I

25 have seen it in its decline very rapidly lately. Out

1 of all the lakes that TVA has, the ecological report
2 on Cherokee Lake is that it is the worst lake out of
3 the whole system, and that -- I am nervous this
4 morning.

5 I am really attached to that lake and
6 I hate to see it die, but it is in the process of
7 dying. I go fish in Alabama. I go fish in Canada.
8 I go fish in Florida. I fish everywhere. I live on
9 Cherokee Lake, and it is very sick. We do need land
10 to help our fishing. We need more water to dilute
11 some of the poisons that are there, some of the
12 chlorophyl levels that are so high and the dissolved
13 oxygen is so low.

14 We just want you to look at your own
15 ship and clean your ship up. We are going to try to
16 help you. If you'll help us, we will help you, and I
17 appreciate the comment time.

18 MR. BRUCE SHUPP: Thank you. Donald
19 Miller, Loudon County Commissioner.

20 MR. DONALD MILLER: Good morning.
21 Thank you. Bill Waldrop, who is president of the
22 Tellico Watershed Association, came with me, and I
23 think he's on your list to speak. It would be more
24 efficient if we reverse the order and that way we

25 won't repeat so much.

1 MR. BRUCE SHUPP: Fine. William
2 Waldrop.

3 MR. WILLIAM MINSER: Good morning. My
4 name is Bill Waldrop, and I'm the President of The
5 Watershed Association of the Tellico Reservoir.
6 WATeR is an association of citizens dedicated to
7 preserving and improving the environment in and
8 around Tellico Lake. We're striving to work in
9 cooperation with local, state, and federal agencies
10 to achieve our mutual goals to promote quality growth
11 in an area that is experiencing exceptional growth.

12 I want to provide you with an example
13 of why it is important that you address the TVA
14 policy for the use of public land. Quality growth to
15 us includes preserving some of the land available to
16 the general public for such uses -- such activities
17 as recreation, including greenways, hiking, hunting,
18 and camping. In addition, undeveloped shoreline
19 property provides a buffer for environmental
20 protection for the lake.

21 This concept is consistent with the
22 original EIS for Tellico Lake written 30 years ago.
23 That EIS included a land use plan, excuse me, where
24 various parcels of land acquired by TVA were

25 designated for industrial, commercial, and

1 residential development with a small percentage of
2 land along the shoreline reserved for public use and
3 environmental protection.

4 To implement this plan, TVA initiated
5 the formation of Tellico Reservoir Development
6 Agency, that's TRDA. All land designated for
7 development was deeded to TRDA. TVA retained
8 stewardship of the remaining land not slated for
9 development.

10 Theoretically, this took TVA out of
11 the role of economic development on Tellico Lake and
12 designated -- and delegated that responsibility to
13 TRDA. The EIS stated that the objective of this plan
14 was to prevent, and I quote, rapid uncontrolled urban
15 sprawl. This development plan has proven very
16 successful, and we should strongly support it.

17 In 1999 this original plan was
18 reviewed when a private developer proposed to
19 purchase and development several hundred acres of TVA
20 public land. Through the NEPA process the public
21 overwhelming opposed this land sale, over 3,000
22 letters and comments in opposition, and people
23 supported the original plan.

24 As a result, in February 2000 TVA

25 rejected the land -- the proposed land sale. They

1 refined the original plan and they stated that TVA
2 would not consider any future proposals to convert
3 public land for development along Tellico Reservoir.
4 Shortly thereafter there was a change in the makeup
5 of the TVA Board, and therefore, TVA policy. That's
6 only be two years ago, folks.

7 There's a current proposal under
8 consideration for selling the same shoreline land to
9 a private developer. Again, public input has
10 overwhelmingly opposed this sale through the NEPA
11 process. Numerous discussions with TVA staff reveal
12 a nebulous policy and criteria for accepting or
13 rejecting offers from private developers for TVA
14 public land.

15 In fact, it appears the TVA upper
16 management is encouraging the sale of TVA public land
17 for private development with no regard for public
18 opinion or environmental impacts. In other words,
19 they are apparently now promoting rapid uncontrolled
20 urban sprawl. We view this action as setting a
21 precedent for similar requests to sell any and all
22 TVA shoreline on Tellico Lake and any other shoreline
23 property throughout the Valley.

24 We do not expect the stewardship

25 council to intervene in this particular NEPA action,

1 but it does provide a clear example of why you need
2 to initiate a process for developing TVA policy and
3 criteria that will give the public some voice under
4 this support issue. Once the land is in private
5 hands for development, this can never be reversed.

6 Thank you.

7 MR. BRUCE SHUPP: Thank you.

8 Mr. Miller.

9 MR. DONALD MILLER: Thank you,
10 Mr. Chairman. My name is Miller. I'm a retired oil
11 company executive and also a Loudon County
12 Commissioner. I represent the west side of Tellico
13 Lake. I am also a former president of the Tellico
14 Village Property Owners' Association.

15 My counterpart, County Commissioner
16 Bob Franke, representing the east side of the lake
17 was unable to be here this morning because of prior
18 commitments, however, I am also speaking on Bob's
19 behalf. Between the two of us we represent about
20 10,000 citizens in Loudon County.

21 Since time is short I'll simply say
22 that we completely support the points that Bill just
23 made to you a moment ago. Our major concern is that
24 from our perspective TVA does not seem to have a

25 broad land use policy and set of guidelines which are

1 applied uniformly and consistently.

2 I will use Tellico Reservoir as an
3 example because that's where my experience has been
4 over the last few years. We mistakenly thought there
5 was a broad policy based on the original Tellico
6 Master Plan developed back in the 1970's. In 1999,
7 as you-all know, a developer proposed to purchase
8 several hundred acres of TVA Tellico lakefront
9 property, and after a huge public outcry TVA rejected
10 this proposal.

11 Partially as a result of this, in 2000
12 TVA developed a Tellico Reservoir land management
13 plan, which essentially reaffirmed the original
14 master plan. Again, we mistakenly thought this
15 represented TVA's broad policy for land use on
16 Tellico Lake. Now after only two years TVA is
17 entertaining another developer's proposal to buy
18 shoreline property.

19 Based on these experiences, it appears
20 to us that there is no set of broad, reasonably,
21 long-lasting policies for TVA land use on Tellico
22 Reservoir. Instead, it appears as if the approach is
23 to respond to individual requests from developers as
24 they arise in a piecemeal fashion.

1 experience in long-range planning in my former
2 corporate life, this is not a good long-range
3 planning approach. It will eventually lead to an
4 undesirable use of TVA public land.

5 So I would urge you-all to -- in the
6 case of Tellico, to use the 2000 Tellico Reservoir
7 Land Management Plan, which was developed with a lot
8 of effort by the TVA staff and a lot of public input,
9 use this plan as a basis for the overall land use
10 policy for the Tellico Reservoir.

11 I think changes -- once you have a
12 policy, changes should be made to the policy only
13 when unexpected events occur or there are significant
14 changes in the underlying assumptions. The policy
15 should not be reexamined and reformulated every time
16 a developer comes in seeking to purchase land from
17 TVA.

18 I think implementation of the Tellico
19 master plan and land management plan have been very
20 successful to date. It's been a very good thing for
21 Loudon County economically and in many other ways
22 that affect our quality of life and I would hate to
23 see this change.

24 Finally, although my remarks were

25 confined to Tellico Lake because that's where my

1 experience has been, I think they also have very
2 broad implications throughout the entire TVA system.

3 So to summarize, I heard this morning
4 a number of comments about the planning process. My
5 experience with the planning process is that -- also
6 is that it's been pretty good. I think the
7 difficulty is that the product of this process does
8 not seem to result in a policy that is long-lasting
9 and holds up.

10 So thank you for your attention.

11 MR. BRUCE SHUPP: Thank you,

12 Mr. Miller.

13 Axel Ringe.

14 MR. AXEL RINGE: Good morning. My
15 name is Axel Ringe. Although I am associated or
16 affiliated with a number of nonprofit organizations,
17 I come before you today representing myself. I have
18 taken as my constituency, however, the myriad species
19 of organisms that share the land of this region with
20 us.

21 I'm sorry I wasn't able to be here
22 this morning to listen to the discussion of the
23 Council. Occasionally my day job interferes with my
24 civic involvement, but I do have some things to say

25 based on the discussions of yesterday.

1 The first issue that I would like to
2 address is to TVA; and that is, my feeling that the
3 makeup of this Council is not in accordance with the
4 spirit of the Charter or with the Federal Advisory
5 Committee Act. Both of those documents called for
6 this Council to be broadly representative of the
7 stakeholders in the region of TVA, but what we see is
8 a council that is heavily weighted towards user
9 groups who are resource users of TVA resources.

10 We have five representatives of power
11 distributors here, we have a representative from a
12 shipping concern, and probably at least half of this
13 Council falls into that -- in those categories. The
14 result of that cannot help but be a leaning towards
15 economic development in the traditional way that it
16 has been defined in the past.

17 There is only one representative on
18 this Council of an environmental advocacy
19 organization. There are numerous environmental
20 advocacy organizations, both in the State of
21 Tennessee and in the surrounding six states that TVA
22 impacts. None of them are represented at this --
23 around this table.

24 Moving on, the three questions that

25 you were asked to address yesterday, Question No. 1,

1 TVA gave you an excerpt from the TVA Act. I would
2 recommend that you go back and read carefully the
3 entire section of the Act for which that was taken,
4 which is Section 22. There are a number of fairly
5 significant qualifying words and phrases in there
6 which TVA did not provide you in the sheet that you
7 were handed out, and I think in your deliberations
8 and answers to that question you really ought to be
9 looking at the full section.

10 Question No. 2 where you are asked,
11 how should TVA quantify the contributions of its
12 management, I would like to point out to you that
13 there is a widely accepted protocol and methodology
14 for translating what are known as ecosystem services
15 in to monetary benefits. That has not generally been
16 done, and I think when we're talking about TVA's
17 public lands and the benefits that they provide to
18 the region, that that needs to be taken into
19 consideration.

20 The last thing that I will address,
21 yesterday and I heard it once again since I came here
22 this morning, the word balance has been used.
23 Balance is a funny word. It's a very subjective
24 word. When I think of the word balance I visualize a

25 seesaw with equal weights on either side of it.

1 Balance -- it has been determined
2 within the last year, that human kind is consuming
3 120 percent of the earth's renewal resources on an
4 annual basis. I just saw a report last night that
5 was put out by Columbia University and the Wildlife
6 Conservation Society that estimates that human kind
7 occupies or makes exclusive use of 83 percent of the
8 earth's surface, land surface.

9 Within the United States 95 percent of
10 the original forest cover of this land has been cut.
11 99 percent of the original prairie ecosystem, both
12 short grass and tall grass, has been destroyed and
13 converted to human uses. I ask, is this balance, and
14 I ask you to think about that in terms of TVA's
15 public lands.

16 MR. BRUCE SHUPP: Thank you.

17 Virginia Tolbert. Good morning.
18 Thank you for the opportunity to be here and provide
19 comments.

20 My name is Virginia Tolbert. I am an
21 environmental scientist. I am cochair of the Nature
22 and Education Committee for the Watershed Association
23 for the Tellico Reservoir. I am speaking to you this
24 morning as a resident of the eastern shore of Tellico

25 Reservoir. I have been a resident there for 25

1 years.

2 We followed the EIS process for the
3 initial development of Tellico Reservoir carefully
4 when we were looking for land when we were in
5 graduate school at UT to decide whether that was
6 somewhere where we wanted to live. We were looking
7 for a rural, natural area with access to quiet,
8 pristine, using the word loosely, areas.

9 We felt that the EIS for Tellico
10 clearly set aside specific land uses and that the
11 area around our community was set aside for
12 environmental protection, for habitat protection, and
13 for low impact recreation.

14 In 2000, 1999 an extensive request was
15 made to TVA to transfer land to a private developer
16 for commercial, for extensive recreational
17 development. This was not in keeping with the EIS
18 process. TVA received extensive public and
19 stakeholder comments that said, no, this was not an
20 appropriate land use change.

21 So two years later we now see a
22 similar request, although for a small piece of land,
23 to transfer public lands that were set aside for
24 recreation and environmental benefits for private

25 development. Again, the public is saying no. The

1 stakeholders are saying, no, we haven't changed our
2 attitude and our concerns. The only thing that has
3 changed is the TVA Board composition.

4 In the 2000 land management plan for
5 Tellico, TVA identified specific land uses for
6 different sections of the reservoir, particularly
7 along the eastern shore for environmental protection
8 and for low impact use. We felt that that was the
9 end of this and that TVA had said, this is the way it
10 is, this is the way it was, this is the way it will
11 continue to be.

12 Now, two years later the developer is
13 back, and we find that not only is this a developer
14 but TVA will consider on piecemeal basis additional
15 requests for land transfer. So this is inconsistent
16 with the plan and inconsistent with the desires of
17 the community.

18 What we in the community would ask is
19 that the stakeholder stewardship council help TVA
20 develop a balanced comprehensive plan that will keep
21 in place what they have already set for protection,
22 for recreation, and for environmental benefits.

23 Use of the Smoky Mountains, Big South
24 Fork recreational area and state parks in the area

25 show the heavy demand for recreational opportunities

1 and enjoyment of environmental benefits. These areas
2 provide extensive economic benefits to the region as
3 well, and we ask that those be considered in
4 developing a comprehensive plan, not just for the
5 Tellico Reservoir, but for the TVA system as a whole.

6 Thank you.

7 MR. BRUCE SHUPP: Thank you. Mr. Don
8 (sic) McArthur.

9 MR. DAN MCARTHUR: Dan McArthur. I
10 live on Douglas Lake. My wife and I have a small
11 rental business where we rent a cottage out. We
12 could rent two more months easily a year with longer
13 lake levels. Not only would we make more money, but
14 the tourism would be a boost in the area if the lake
15 levels were up a little longer.

16 September and October are the normally
17 driest months of the year and why not leave the lake
18 up until October 1st and then go ahead and pull the
19 plug. It would also be a boost to tourism if there
20 were fish to catch. If the winter pool was left at
21 970, the fish would have a better chance to spawn. A
22 lot of people put fish structure on the lake bottom
23 to help with the spawning, but by the time the lake
24 reaches the structure it is too late.

1 right thing, I think that the excessive fees that
2 they are charging now for docks and other structures
3 that are put on our own property should help make up
4 for the alleged losses that TVA claims they are going
5 to incur. It has been discussed also that the TVA
6 could make power later in the year.

7 Jefferson County is one of the fastest
8 growing counties in the state. People from all over
9 the country are moving here and they wonder why there
10 is no lake in the middle of the hottest and driest
11 part of the summer. If the TVA really wants to have
12 a working relationship with the stakeholders, this is
13 their big chance. If not, then just keep hiring PR
14 firms and conducting useless studies to stall hoping
15 we will go away, but we are not going away. In fact,
16 our numbers are getting bigger every day.

17 Thank you.

18 MR. BRUCE SHUPP: Thank you.

19 Mr. Joseph Brang. Is that correct?

20 MR. JOSEPH BRANG: Yes. My name is
21 Joe Brang. I am a retired executive from a
22 manufacturing company. I live in -- on Douglas Lake
23 in Dandridge.

24 I have attended workshops

25 associated -- and answered questionnaires and

1 reviewed results of questionnaires associated with
2 the River Operation Study. The questions usually are
3 like, what do you want, recreation or electricity
4 generation, flood control or protecting the
5 environment, water quality or recreation, leaving
6 very much the impression that we have to choose one
7 or the other, also leaning sometimes to misleading
8 news releases for something that is picked out or,
9 oh, this item only gets 5 percent where some other
10 item gets a higher percentage.

11 If the lakes are left up longer in the
12 summer, at least until October 1st, and drop less in
13 the winter, we can increase, not decrease, the amount
14 of electricity being generated. I don't know the
15 exact number, I am sure TVA engineers can figure it
16 out, but it's in the order of not 5 percent, in the
17 order of 30 percent or maybe 40 percent more
18 electricity by simply leaving the lakes up.

19 We can reduce air pollution,
20 therefore, improving the environment because with
21 more electricity being generated, less electricity
22 would have to be generated by the fossil plants.

23 We could also improve the beauty of
24 our environment. It's certainly much prettier to

25 look at a lake full of water. Even the map we see

1 over here, I notice, is blue, but if there were a
2 tributary lake and we colored the lake brown, those
3 areas which are brown much more than half of the
4 year, that would be a big sea of brown over there if
5 you're showing the tributary lakes. And that's
6 exactly what it looks like, a brown mud hole.

7 Of course, we'd greatly increase
8 recreational opportunities by not starting, quote,
9 the winter drawdown. It's really a summer drawdown.
10 It starts July 1st and then goes on unabated on
11 August 1st. The last time I checked the calendar,
12 that's the summer drawdown, not even midsummer. It's
13 really early summer when the drawdown starts.

14 Of course, it would provide, as Dan
15 and some of the others have said, a real economic
16 boost, not only from tourism, but from new industry.
17 When an industry comes to an area, they're looking
18 for a place with good employees and a place those
19 employees want to say and live to increase employee
20 retention. Certainly having -- you know, we have
21 many benefits and many assets here in East Tennessee,
22 and that would be a big plus.

23 Now, last but not least, something
24 TVA, I think, needs greatly to provide a real public

25 boost. TVA in our part of country, which includes

1 about seven states, is now a four letter word for
2 most of the people who visit the area, they
3 constantly have ask, why do they do this.

4 If we could act like the Army Corps of
5 Engineers does in Alabama and Georgia and some other
6 places and manage the lakes to leave the water up
7 until October 1st, TVA would achieve a huge public
8 relations boost by doing that same thing.

9 I ask this Council to help overcome
10 the resistance to change within TVA and to assure an
11 objective River Operations Study for the benefit of
12 the residents, visitors, and customers of the region.

13 Thank you.

14 MR. BRUCE SHUPP: Thank you. We have
15 got four left, the way I count. I want to make sure
16 everybody is here. Ralph Kush, Danielle Droitsch,
17 Mark Campen, and Nelson Ross, you-all want to speak?

18 Okay. Here we go. Ralph Kush.

19 MR. RALPH KUSH: Ralph Kush, retired
20 land homeowner on Douglas Lake. I'll go through this
21 rapidly. On 5/4 this year my dock was floating. It
22 took that long to get that water up. On 8/7/02 my
23 dock was resting on the bottom, and I had to take my
24 boat off. So I had a little over three months of use

25 of my fishing boat from my own dock. True, I could

1 go elsewhere and put in elsewhere, but, you know, one
2 of the objectives to buying the house was to have --
3 you know, make use of the dock.

4 Secondly, we had a drought this year,
5 that's probably one of the few things TVA couldn't be
6 blamed for, but that drawdown exacerbated the
7 deoxygenated lake considerably. Right off my
8 property I have counted between 20 and 30 dead fish.
9 This was due to a combination of algae bloom and low
10 dissolved oxygen. Out of those fish that I could
11 count a good half dozen were game fish, keepers.

12 Two crappie, for example, that came
13 floating to the top and ended up as turkey and --
14 turkey vulture, and turtle food were a 13 and 3/4
15 inch crappie and a 14 inch crappie. Those are
16 magnificent fish to just die. There were large
17 mouth, there were sauger. That's what the fishermen
18 in the area come for and spend their money on. These
19 are just consumed by the birds.

20 Likewise, when you draw down so
21 rapidly towards this time of the year the, French
22 Broad becomes a unfishable. The current is too swift
23 to even put out a boat on safely. So your drawdown
24 policy even affects the rivers in this area, not just

25 the lakes.

1 So the point of that is -- for me is
2 that it's an economic one. Had I known now what I
3 know -- if I had known what I know now when I
4 purchased the property, I wouldn't have. That would
5 have represented an economic loss to vendors and shop
6 owners and trades people in the area between 20 and
7 \$30,000. I flatly would not have spent that money
8 had I known how this was going to work out.

9 Lastly, I would just say that
10 education to the public has been talked about here.
11 There's a lot of negative perceptions. I would give
12 you as an example that one perception is that Douglas
13 Lake carries a disproportionate load in helping TVA
14 meets its objectives.

15 For example, does Chattanooga pay
16 anything to TVA for its flood protection, which is
17 what Douglas Lake is drawn down for?

18 Do the barge builders pay anything to
19 keep their 9-foot minimums?

20 Does Cherokee contribute the same
21 amount of water as Douglas does?

22 These are questions that run through
23 people's mind, they would like to know, and an answer
24 to those would help maybe convince the public that

25 TVA can be somewhat more trusted and doesn't have to

1 be as hated an organization as it is currently.

2 Thank you.

3 MR. BRUCE SHUPP: Thank you. Danielle
4 Droitsch.

5 MS. DANIELLE DROITSCH: Good morning.
6 My name is Danielle Droitsch, Executive Director of
7 Tennessee Clean Water Network. We are a statewide
8 organization concerned with water quality in the
9 watersheds of Tennessee.

10 The reason I am here today is because
11 the quality of our watersheds in Tennessee and the
12 entire Tennessee River Valley is not completely
13 clean. We actually have a third -- a third of our
14 watersheds of the Tennessee River Valley is not
15 clean, and the largest source of that pollution is
16 from sediment, from things like development.

17 And so here is where I come in because
18 most of that sediment comes from uses on the land.
19 And when you're talking about one of the largest land
20 owners, I guess you will say, TVA being one of the
21 largest land managers in the entire Tennessee River
22 Valley, I do become concerned when we start talking
23 about what to do with that land.

24 I was concerned yesterday when I saw

25 that this body was going to grapple with three

1 incredibly complex questions in two days. I strongly
2 encourage this body not to resolve answering those
3 questions by the end of today. That would be
4 irresponsible. They are very complex questions,
5 believe me.

6 I started working on this project of
7 looking at TVA land issues some time ago, about a
8 month ago. It is a huge question. And it's been
9 presented in very simple terms, and I don't think you
10 can answer these three questions at all in two days.
11 I guess you will see what I mean when I go through.

12 Some of the information that TVA
13 presented, it was good information, but it was not
14 complete. There is a big picture here that needs to
15 be remembered. Between 1933 and 1962 TVA acquired
16 1,000,000 -- 1,004,484 acres of land at an average
17 cost of \$71.02 an acre. They also acquired
18 131,453 acres of easements for flowage, 12,368
19 easements for highways and railroads, and then
20 another 9,000 miles for transmission. We're not
21 talking about the 1,000,000 that was acquired. We're
22 talking about this remaining 293,000 or so acres, and
23 people are talking about it as if that was the only
24 land TVA ever acquired and did anything with.

1 picture and the fact that much of that land has been
2 disposed of and has been developed, then we're not
3 thinking. And I was not happy to hear that no one
4 brought up that much of this land has been going to
5 development resource agencies and it has been
6 disposed of and much residential development has
7 already happened. And until you really think about
8 that big picture and the context of the history, then
9 it's not responsible to talk about what to do with
10 this remainder of the land.

11 There is interpretation of TVA zones
12 that I think is a very big problem. The Tellico
13 example, which is not the only example to be talking
14 about, really highlighted for me that there is
15 absolutely no process within TVA to understand how to
16 interpret its zones compared to proposed land use.

17 This developer came in and proposed
18 land use for -- for commercial recreation, and the
19 interpretation of that zone by TVA and by the Tellico
20 resources development agencies is completely
21 inconsistent with the definition of that zone. The
22 process -- there is absolutely no process by which
23 mitigation is determined.

24 If you were to look in your package

25 that you received yesterday that has land use

1 proposal review process, it almost seems like there
2 is this really complex process within TVA to review
3 new land proposals. There isn't. There really isn't
4 a standard process. And if there is one, they
5 haven't let us know about it.

6 There really needs to be a process by
7 which when a plan is written, that when a new
8 proposal comes in that's inconsistent with that, that
9 we have a very strong, strict criteria by which we
10 reevaluate new proposals.

11 I think that no-net loss needs to be
12 seriously discussed, given the amount of land that
13 has been disposed of. I don't think it's a good idea
14 to completely reject the concept of no-net loss. It
15 allows for flexibility.

16 And the last point I would like to
17 make is about this economic development issue. We
18 wouldn't be here today if there wasn't some mention
19 in the TVA Act about TVA's economic development role,
20 I understand that. That does not mean that we just
21 jump when there's an economic development proposal.

22 There is economic development and
23 tourism and recreation, and there doesn't seem to be
24 any process by which we evaluate what is truly

25 economically beneficial for this Valley. I strongly

1 recommend that this body -- and I could go on, I
2 mean, I have many more comments here, and I really
3 wish I had some more time because this body -- I have
4 spent some time researching this and understanding
5 this, and I would like for this body to not answer
6 these questions this afternoon. I think that would
7 be irresponsible.

8 Thank you.

9 MR. BRUCE SHUPP: You can submit your
10 comments for the record.

11 MS. DANIELLE DROITSCH: Well, they
12 are -- I can go ahead and do that later. I will be
13 happy to do that, but I don't have them typed out or
14 anything.

15 MR. BRUCE SHUPP: All right. The next
16 person up is Mr. Mark Campen.

17 MR. MIKE BUTLER: Good morning
18 everybody. My name is Mark Campen. I work with the
19 Tennessee Izaak Walton League and Clean Water Center
20 here in Knoxville.

21 I am here today to briefly support a
22 more specified area on TVA waters, the Keller Bluff
23 property that has been under controversy for future
24 development. I'm here to support the Keller Bend

25 Homeowners' Association in not developing this area.

12 So thank you for your time.

15 MR. NELSON ROSS: Thank you. And I
16 appreciate the Council making available the public
17 comment period.

21 What is the economic value of a quiet
22 place in a wild undeveloped natural setting?
23 Priceless.

24 Many of TVA's public lands are in the

25 middle of some of the major growth areas of

1 Tennessee, namely in this region Knox, Blount, and
2 Loudon Counties on Fort Loudoun Lake, and Jefferson,
3 Sevier, and Hamblen Counties on Douglas and Cherokee
4 Lakes.

5 For example, a recent TVA study
6 predicts that the shoreline of Douglas Lake will be
7 80 percent developed by 2025. Similar growth is
8 exhibited on lakeshore lines in the remainder of the
9 region that I've mentioned -- pardon me, mentioned
10 before. The escalating land values and building
11 permits provide reliable economic data to this
12 effect.

13 A case in point, the Keller Bluff
14 property in West Knox County, which some consider to
15 be worthless because it has -- it is isolated and
16 it's hard to access. This characteristic, in fact,
17 is the reason why this property is so valuable if it
18 remains in public hands.

19 The value of the property will
20 continue to grow and it will be good for everybody.
21 It will be good for economic development because it
22 will be good for quality of life in the region, and
23 quality of life is one of the major attributes when
24 people consider the value of land or the value of an

25 area for people to come to live and to work.

1 Another study in which TVA
2 participated was the Southern Appalachian Assessment
3 Study done some five years ago. This was a
4 comprehensive study of the Appalachian Region and it
5 related to land use in many aspects.

6 One of the major points that was
7 brought out in this study was that surrounding public
8 lands were being overused and downtrodden. You folks
9 know from recent news items about the Great Smoky
10 Mountains National Park, land that is accessible,
11 even though it's in public hands and in one of the
12 largest parks in the world and the most visited park
13 in the world, are in danger of being destroyed by the
14 very fact that it is accessible and it's being
15 overused.

16 The major attribute of keeping TVA
17 lands public lands in public hands is to provide
18 accessible wild places to people near their homes so
19 they do not have to travel an hour or two in traffic
20 to go to another wild place and to attribute to the
21 downtrodden condition of those lands.

22 Thank you so much for this occasion.

23 MR. BRUCE SHUPP: Thank you. Well,
24 that's the 17th speaker. I commend you-all for doing

25 a real good job with time and for your messages and

1 for coming. I would like to -- even though it's
2 lunchtime, I would like to take some of the Council's
3 lunch hour and allow you to ask questions of the
4 speakers, if you would like. So I will open the
5 floor to questions.

6 Steve.

7 DR. STEPHEN SMITH: First of all, let
8 me say that I think public comment to the Council is
9 incredibly important, and I want to thank each and
10 every one of you for coming and taking time out of
11 your busy lives to travel here during the middle of
12 your workday and present your comments. I think it's
13 very important for our -- for the Council to hear
14 from the public, and I applaud you and appreciate it.

15 I want to zero in on a couple of
16 things. First of all, you know, I think that the
17 comments around the Tellico issue are very telling
18 for our Council. And I happen to disagree with one
19 of the speakers, not philosophically, but when he
20 said that our Council doesn't have a responsibility
21 to chime up and weigh in on what appears to be the
22 potential for reversing the land management plan that
23 was developed just a short time ago, it is absolutely
24 critically important that when a plan like that is

25 developed that the public has confidence that it

1 means something.

2 Otherwise, why are we asking the
3 public to engage in the process? Why are we asking
4 you to use the process?

5 I think it's an outrage, and I think
6 the word nepotism that was used earlier to describe
7 the potential that this is being reversed simply
8 because we have a new board member who happens to
9 prioritize economic development over all the other
10 things at the expense of long-standing processes,
11 long-standing agreements, the lands has been
12 condemned and other things is sad, a sad state of
13 affairs, and I hope that TVA will correct that.

14 I appreciate the comments that were
15 made in that because there has been a public trust
16 that has been violated in Tellico in the way that
17 that's been developed, and I think that we need to be
18 responsive for that.

19 I would ask that, and I would ask this
20 as a question, and anybody who wants to respond to
21 it, one of the questions that we're grappling with
22 is, how -- how can we elevate the value of public
23 lands in a way that can push back for those who only
24 want to see dollar signs associated with developing

25 and don't want to look at those larger values, that's

1 a question that we've been grappling with for the
2 last couple of days.

3 I ask anybody -- any of the speakers
4 that came up to help us with that. If you don't want
5 to comment now, if you want to think about it, please
6 use the web site to send us e-mails about this.

7 You can actually access each and every
8 one of us through the TVA web site, and I encourage
9 you to submit your thoughts to help us grapple with
10 how to value. But if you have a comment now that can
11 help us in our deliberations about how to value
12 public lands in ways that are not readily apparent,
13 that is a very important issue that we're struggling
14 with and I am eager to hear from the public about
15 that.

16 MR. WILLIAM MINSER: Yes, Stephen.
17 This is Billy Minser. TVA has attempted to do that
18 on many occasions on a case-by-case basis for
19 projects or reservoirs, and that's through intensive
20 assessment of public attitudes and feeling through
21 valid poll type -- Gallup poll type surveys that are
22 statistically meaningful, but it's only been done on
23 a piecemeal basis. It ought to be done on a
24 Valley-wide and outside the Valley methodology so

25 that we know the public's sentiment.

1 The survey show every time about 70 to
2 80 percent of the public value puts a high value, and
3 I don't know how you put a price tag value, you don't
4 need to. They always say, protect public lands for
5 recreation, environmental values, scenic values,
6 wildlife values, just so we can look at them or have
7 a place to go. A statistically valid, more intensive
8 survey of all users, that's -- the people of the
9 United States is the way to do that, I think.

10 MR. BRUCE SHUPP: Go ahead, Mike.

11 MR. MIKE BUTLER: Two approaches to
12 consider, I would think. One is, there are
13 organizations that have expertise in land valuation,
14 specifically towards the kind of answer you're
15 speaking.

16 I think the other thing to consider is
17 what it's not costing taxpayers. There are two types
18 of land uses that have been shown, farm land and
19 forest land, which are revenue generators, versus a
20 recent -- well, four years ago a study done in
21 Rutherford County by the County Planner assessed what
22 would it cost 100 new homes to -- if you took a farm
23 and you turned it into 100 new homes on a typical
24 subdivision plat and you had the cost of running

25 infrastructure to it, you had the cost of running

1 roads, all the different pieces, fire, police, water,
2 electricity, everything, even with impact fees, the
3 results showed that the tax bump that you would get
4 by bringing in just an average family, two and a half
5 kids, three cars, whatever, you know, that whole
6 statistical set, what it showed is that you barely
7 make enough money to cover the capital outlay for the
8 development, even with an impact fee, and you
9 essentially have zero money for maintenance.

10 And they calculated it for each child
11 that came into that county via that model that they
12 looked at or that hypothetical. The county school
13 system ran an \$800 deficit immediately on the front
14 end of it.

15 So what does that mean?

16 I mean, I think it means that with the
17 challenges we're facing today in trying to strike a
18 balance for growth and conservation and all of the
19 things that a lot of us care about, it means looking
20 at things in a way that we have never been able or
21 never have considered looking at them, and that's
22 taking innovative approaches and looking at places
23 where you can grow but you also don't end up living
24 in an incredibly high taxed area because of it.

Those are real types of things that I

1 have seen that could be -- I think there's a direct
2 cost, there are indirect costs, and then there's
3 economic benefits that are probably more going to be
4 indirectly calculable than directly calculable.
5 Thank you.

6 MR. MIKE BUTLER: I would just like to
7 confirm what Mr. Butler said. That's been exactly
8 our experience in Loudon County, and I would expect
9 most counties in Tennessee. If you look at
10 residential development, while it certainly has some
11 benefits, it also has some costs. And generally
12 speaking, the costs to the taxpayers in any
13 particular county, the revenue received in property
14 taxes and sales taxes, et cetera, is not enough to
15 cover the costs of the infrastructure, including
16 schools, roads, of these kinds of developments.

17 Now, that's not to say they should not
18 occur, but this is one thing that certainly should be
19 considered when you look at the overall economic
20 development. Look at the big picture. Don't just
21 look at the benefit side, but also look at the cost
22 side.

23 MR. BRUCE SHUPP: Any more Council
24 questions?

MS. JULIE HARDIN: I want to thank all

1 of you for coming. I also want to know if you think
2 the public comment part of our meetings are
3 adequately advertised to the public. I noticed in
4 our press release, October 1st, the TVA press
5 releases, that the meetings are open to the public,
6 but no mention that public comments are welcomed. It
7 didn't even mention that public land is what was
8 going to be our topic the past two days. And I
9 wondered how you-all knew how to come and do you
10 think we're doing an adequate job of really pushing
11 this public comment section of our meetings because
12 it's vital to us.

13 MS. MEREDITH CLEBSCH: People in TVA
14 told me about it, and we spread all the word. I
15 think a lot of people here just spread the word. I
16 don't know how everybody heard about it, but I don't
17 think it's adequate, in my opinion.

18 MR. NELSON ROSS: Dr. Smith,
19 addressing the need for adequate data on economic
20 development value of open spaces of public land, data
21 is readily available, internationally available.
22 It's available in this Valley. It's available by
23 very competent economic development studies done by
24 TVA.

1 the economic development community holds were to be
2 accessed and studied, I think it would reveal in a
3 common sense fashion that we really do not need new
4 studies every time a certain value would need to be
5 sought for a piece of public land.

6 Having said that, we can just follow
7 the economic nose, follow the dollar, and I am afraid
8 almost to bring a dollar out with our current
9 political campaigns, but where are the largest homes
10 being built? There are million dollar homes plus
11 being built seeking nature, seeking quiet places.

12 Ask people -- you know, try to buy a
13 section of shoreline, try to buy a section to build a
14 house that has some acreage with a view that
15 overlooks the mountains that has an uncluttered
16 vista, there's no doubt about the value of public
17 lands when these readily available economic data are
18 accessed and decisions are made that way.

19 Finally --

20 MR. BRUCE SHUPP: One quick point
21 because we most move on.

22 MR. NELSON ROSS: This will be a quick
23 point. Often public lands are called land banks. It
24 isn't -- the land bank, I want to emphasize, is the

25 value of it. You put valuable things in a bank, and

1 as property values raises in the comments that I have
2 made, the value of TVA's assets, public held assets,
3 are going to continue to rise and it's money in the
4 pockets of developers, because when more land is
5 released, property values go down, not up. So it's
6 good for the economic viability of this region to
7 maintain a healthy holding of public lands.

8 MR. BRUCE SHUPP: Thank you.

9 Paul, do you have a question?

10 MR. PAUL TEAGUE: I would like to
11 thank each of you for coming because it's your input
12 that helps us make good decisions. I would fight for
13 your right to express yourself and we need it. I
14 have one concern. Is it Ms. Clebsch?

15 MS. MEREDITH CLEBSCH: Clebsch.

16 MR. PAUL TEAGUE: You made a statement
17 that there was a connection between this, quote,
18 major development and the commission or
19 commissioners. Do you have any proof of that?

20 MS. MEREDITH CLEBSCH: No, none
21 whatsoever.

22 MR. PAUL TEAGUE: If you do not have
23 proof of that, then that makes that gossip. Is that
24 not true?

MS. MEREDITH CLEBSCH: Very much so,

1 yes.

2 DR. PAUL TEAGUE: I personally do not
3 feel that this public forum is a place to propagate
4 gossip.

5 MS. MEREDITH CLEBSCH: You're welcome
6 to that.

7 MR. BRUCE SHUPP: Jackie.

8 MS. JACKIE SHELTON: Yes. I
9 personally would like to thank each of you. And from
10 my perspective, this has been the most informative
11 and interesting part of my participation with the
12 long-range planning committee. I have jotted down
13 several things, and I would like to ask you as a
14 group if I have pinpointed your greatest concerns. I
15 have not put them into what I term most importance, I
16 just jotted them down as I know them, better
17 representation, more diverse representation on the
18 long-range planning board.

19 MS. JULIE HARDIN: Resource Council.

20 MS. JACKIE SHELTON: Resource Council,
21 thank you. And a long-range overall plan with some
22 lasting power, lake levels, public image of the TVA,
23 value of public lands and established that very
24 firmly. Is this pretty much what as a group you feel

25 you have presented to this organization?

1 MR. DALE ROBINSON: I would like to
2 add from the American Whitewater's perspective that
3 our opposition is to add, free the Ocoee.

4 MS. JACKIE SHELTON: Thank you.

5 MR. BRUCE SHUPP: Okay. Julie, is
6 that another question or did you just not put that
7 down?

8 MS. JULIE HARDIN: I just wanted Axel
9 to know that I also represent Foot Hills Land
10 Conservancy. I'm in Billy Minser's camp, just so he
11 feels a little bit better about us.

12 MR. BRUCE SHUPP: Stephen.

13 DR. STEPHEN SMITH: Yeah. I also want
14 to encourage each of the members of the public, and I
15 think this needs to be stressed, as TVA has lost its
16 federal funding for these issues around non-power, I
17 would encourage you -- and this particularly holds
18 true for the Ocoee and others, but it holds true on,
19 I think, all of these issues, you not only need to
20 communicate with TVA but you need to communicate with
21 TVA's power distributors because it is the power
22 distributors that maintain an enormous control over
23 decisions that TVA's making.

24 So if you have an issue, please make

25 sure that you're communicating at that level also

1 about your concerns about these things because that
2 is an important constituency that influences it. And
3 you can see in the makeup of this Council by the
4 number of representatives there are but also just in
5 the way TVA is making decisions now because those --
6 the money that is being spent is, quote, unquote,
7 ratepayer money, and the constituency that feels that
8 they represent the ratepayers the best are the power
9 distributors and you need to communicate with them
10 your concerns and issues.

11 MR. BRUCE SHUPP: Okay. If there's no
12 other pressing questions, I suggest we move on so we
13 can get on with the afternoon's business. We have
14 got 45 minutes for lunch. So I adjourn for lunch and
15 we'll be back here at 1:00 sharp. Thank you for
16 coming, folks.

17 (Lunch recess.)

18 MR. BRUCE SHUPP: We are behind
19 schedule. We have a minute segment to confirm our
20 responses to the three questions, and I have a
21 sneaking suspicion that we're going to spill over
22 into the second period here, that we're not going to
23 get this done in 20 minutes, but we're going to try.

24 So with that, David, take us away.

FACILITATOR DAVE WAHUS: While you

1 were eating lunch we took the technical or tentative
2 responses that we had developed after each of these
3 sessions and we put it up on the screen. The first
4 one up there now, we will review it in a second. If
5 you concur, what we will do, we will discuss each one
6 in turn before we go to the second technical or
7 tentative response.

8 I would like to get your feelings as
9 to whether there is a consensus for what's up there
10 or do we need to make some modifications and do we
11 need to do some editing, et cetera. I do have a
12 couple of questions. As I reviewed these, there are
13 some things that aren't clear to me. We didn't make
14 any changes as a result of that question, but I would
15 like to pose the questions to you. But first, let's
16 review it very quickly.

17 Does the way in which TVA manages
18 public lands remain responsive to this directive?

19 The answer was mixed. Some said yes,
20 some said no. In some cases they are responsive and
21 in some cases TVA is not.

22 Generally the feeling was that TVA is
23 going a good job. More effort is needed to educate
24 the elected officials in the Valley about the TVA

25 planning process, and we have heard that subsequent

1 to this discussion as well. TVA must have a clear
2 planning process and criteria.

3 There are one too many periods there,
4 but that's okay, we will just leave it.

5 Once a reservoir land plan is
6 developed, it should have integrity for a period of
7 time during which no changes should be allowed.
8 However, TVA must have the flexibility to consider
9 unexpected requests for change to the land plan.

10 This is my first question, in one case
11 you're saying you need to have integrity and you need
12 to leave the plan alone for a period of time and not
13 make any changes, in the very next sentence you're
14 saying you have to have flexibility so you can make
15 changes.

16 Ladies and gentlemen, what is --
17 what -- how do you feel?

18 Bruce.

19 MR. BRUCE SHUPP: I would like to take
20 a shot at that. Taking the first statement, once the
21 plan is developed it should have integrity for a
22 period of time during which no changes would be
23 allowed unless a request for variance passes through
24 a very fine filter or Litmus test or whatever you

25 want to call it, I think if you said that, that would

1 give some flexibility but restrictive flexibility. I
2 think that's what I see that's what the process
3 should be, not total flexibility.

4 FACILITATOR DAVE WAHUS: Is there a
5 general concurrence with that type of approach? I
6 need to see a nod of the head or a shaking of the
7 head. No movement at all makes me wonder if you're
8 awake. Okay. I see --

9 MR. BRUCE SHUPP: And I'm thinking --
10 when I talk about the fine screen filter here, I am
11 talking about public safety, some major contribution
12 to the welfare of the entire community that should be
13 addressed during the review process.

14 FACILITATOR DAVE WAHUS: Okay. Do the
15 words we put up there, does that satisfy -- does that
16 state what you just --

17 MR. BRUCE SHUPP: Very strict review
18 process would probably do it, very strict review
19 process.

20 FACILITATOR DAVE WAHUS: A very strict
21 review process. Okay. Do you-all feel comfortable
22 with that?

23 Greer.

24 MR. GREER TIDWELL: I feel comfortable

25 with it. I think one of the charges we have been

1 given or opportunities we have been given is to sort
2 of give some ranking of criteria, and I don't want to
3 miss what Bruce just said in our comments about, you
4 know, that fine filter should basically only allow
5 safety issues or very broad public benefit issues
6 through it. TVA is wanting our input on valuations,
7 that's valuation.

8 MR. BRUCE SHUPP: Then the next
9 statement, David, would come out.

10 FACILITATOR DAVE WAHUS: Yes, and then
11 another paren there. Okay. And then the next
12 statement here, review, or however, TVA must have the
13 flexibility, that would come out.

14 MR. PAUL TEAGUE: No. I personally
15 don't think that should ever come out of any of it.

16 FACILITATOR DAVE WAHUS: Well, in one
17 case you're saying it should be -- it should be
18 static, it shouldn't change for a few years, and now
19 you're saying you have the flexibility.

20 What Bruce has suggested is that with
21 the -- with a written request for variance would pass
22 a strict review or a strict process that would -- I
23 believe he's saying, and I am not trying to put words
24 in your mouth, but he's saying that for extreme cases

25 that would allow the consideration for a variance.

1 You can't go both north and south, you have to go one
2 direction or the other.

3 MR. BRUCE SHUPP: Let me back up. I
4 think we can clear it up. If you go back to, TVA
5 must have a clear planning process and criteria, then
6 I think what we really want to say after that is, at
7 least what I have gotten from input from the public
8 and from the Council is that the reservoir land
9 management -- pardon me, land management plan should
10 be prepared for each reservoir with strong public
11 input into the planning process, that's flexibility.

12 MR. PAUL TEAGUE: I accept that.
13 Okay. Once the reservoir plan is developed, once
14 that plan is developed with whatever comes out of
15 that strong public process, then it should be locked
16 with a strong filter -- a strict filter process after
17 that, that's what I am trying to say.

18 So, in other words, I have faith in
19 the public process developing the plan and that the
20 right outcome will come from that. Then once that's
21 locked up, once the public has spoken and TVA has
22 worked with the public and local governments and they
23 have developed a plan, the plan is in place, then it
24 should not be changed on the whim of a board member

25 unless that thing goes through a hell of a filter,

1 and that's the problem we have got right now, and I
2 think that corrects that.

3 FACILITATOR DAVE WAHUS: Ed.

4 MR. ED WILLIAMS: I was basically
5 going to suggest something similar to what Bruce did,
6 and I think the way he's done that is perfect. I
7 think the flexibility component, you have to have
8 some checks and balances. The check is having very,
9 very close scrutiny and very strict guidelines in
10 reviewing a variance.

11 I think the balance might be a no-net
12 loss, where if you're going to convert that land that
13 you do it similar to a wetlands mitigation and you
14 consider a no-net loss situation where other lands
15 are traded, brought into the scheme that might be of
16 value and used for the same purpose of the previous
17 lands were used for.

18 FACILITATOR DAVE WAHUS: I am going to
19 call on both of you in turn, but could we focus on
20 these two -- okay. W.C. and then Steve.

21 MR. W. C. NELSON: I think once the
22 land plan is developed, it should be reviewed though
23 on a timely basis. I think there's -- I think you
24 shouldn't just do it and set it away and forget it.

FACILITATOR DAVE WAHUS: I don't think

1 this is saying that.

2 MR. W. C. NELSON: I know that, but it
3 just says, a period of time, it's not qualified. It
4 should be a five-year period or some sort of review
5 time.

6 MR. BRUCE SHUPP: Longer than that,
7 but certainly I think there should be a sunset on
8 that plan that gives chances for reevaluation, and
9 again, through a public process.

10 MR. PHIL COMER: W. C., what's a fair
11 time, ten years?

12 MR. BRUCE SHUPP: Yeah, I think that's
13 fair.

14 MR. PAUL TEAGUE: I think ten years is
15 too long personally.

16 MR. W. C. NELSON: Ten is too long
17 with development like it is.

18 MR. PAUL TEAGUE: Me and you won't be
19 here for that next review.

20 MR. PHIL COMER: Speak for yourself.

21 MR. BRUCE SHUPP: Five years is awful
22 short. You start a planning process and end it, five
23 years is short.

24 DR. STEPHEN SMITH: I think it should

25 be more than five years. I mean, maybe you would

1 have varying degrees.

2 FACILITATOR DAVE WAHUS: Should be
3 looked at again in five to ten years.

4 DR. STEPHEN SMITH: I think towards
5 ten, you know, generally, but I want to ask a
6 question about this.

7 Are these -- are these comments going
8 to go to the Board that we're doing here, I mean, at
9 what point -- or is this mainly just for you guys? I
10 mean, is there a point at which -- because I am
11 wondering if -- and I know we have authority to do
12 this where we can just communicate amongst ourselves,
13 but I am wondering if it would make sense to --
14 because there seems to be a strong amount of support
15 for this, if it makes sense for the Council to
16 specifically send a message in a timely way to the
17 Board that, you know, going back into these plans is
18 something that we're concerned about and that it
19 should require extraordinary circumstances.

20 FACILITATOR DAVE WAHUS: Let's let
21 Kate answer that question. Are these -- is this --
22 is the answers going to the Board?

23 DR. KATE JACKSON: Yes, absolutely the
24 answers are going to the Board.

DR. STEPHEN SMITH: So this -- if we

1 have a very clear statement about this, that all
2 Board members are going to have an opportunity and
3 understand -- I mean, I am trying to think if it's --
4 well, I will let it go for right now.

5 FACILITATOR DAVE WAHUS: So do you
6 have a time period that you want to --

7 MR. W. C. NELSON: Well, the number I
8 was looking at was five years, possibly seven, but
9 ten is a long time.

10 FACILITATOR DAVE WAHUS: Seven to ten
11 years, depending on the situation?

12 MR. PAUL TEAGUE: Things change so
13 fast in our society, you know, ten years is an
14 eternity.

15 FACILITATOR DAVE WAHUS: I am not
16 trying to say ten or I am not trying to say five, I
17 am trying to nail you down because if you want -- if
18 you're going to make a recommendation to TVA you need
19 to have some specificity or they are going to sit
20 there wondering what you want.

21 MR. W. C. NELSON: Five years would be
22 my recommendation.

23 FACILITATOR DAVE WAHUS: Five years,
24 that the plan should be looked at at least every five

25 years.

1 DR. STEPHEN SMITH: I think it should
2 be more than that.

3 FACILITATOR DAVE WAHUS: Well,
4 let's -- five to seven, do you feel comfortable with
5 that?

6 DR. STEPHEN SMITH: Ten.

7 MR. BRUCE SHUPP: The only reason --
8 if five years -- if it was logical -- five years is a
9 logical time frame, but the processes that start and
10 stop this decision-making will almost overlap in a
11 five-year period.

12 FACILITATOR DAVE WAHUS: May I suggest
13 five to ten years then and give them some latitude or
14 flexibility?

15 Paul.

16 DR. PAUL TEAGUE: I just don't accept
17 ten years because that's an eternity.

18 MR. BRUCE SHUPP: Seven.

19 FACILITATOR DAVE WAHUS: I'm seeing a
20 bunch of nods, let's go five to seven years. Thank
21 you.

22 DR. PAUL TEAGUE: I'll ask W. C.,
23 would he accept five to seven?

24 MR. W. C. NELSON: Five to seven is

25 okay.

1 MR. LEE BAKER: Is it necessary that a
2 certain number of years be put there, couldn't it
3 just say on a regular basis?

4 FACILITATOR DAVE WAHUS: W. C. made a
5 very strong point that he felt it needed to be
6 reopened and looked at every five years, and that's
7 where we get the numbers from.

8 MR. PHIL COMER: I think it should be
9 quantified, I really do.

10 MR. W. C. NELSON: I do, too.

11 MR. BRUCE SHUPP: If we leave it five
12 to seven, that means in the reservoir planning
13 process a group -- that group could choose five or
14 could choose seven, whatever would meet their needs
15 best.

16 FACILITATOR DAVE WAHUS: Okay. Thank
17 you. And then we will -- we can go down to the,
18 however, TVA must have the flexibility, and we would
19 remove that, this point right here.

20 MS. LAURA DUNCAN: How about no-net
21 loss that was mentioned, do we want that in there?

22 MR. ED WILLIAMS: Yes.

23 FACILITATOR DAVE WAHUS: You want the
24 no-net loos in there? It's a different subject.

MR. LEE BAKER: I don't think I would.

1 FACILITATOR DAVE WAHUS: Let's
2 continue going through --

3 MR. ED WILLIAMS: It's not a different
4 subject at all if you're going to give a qualifier in
5 there with the no -- with the flexibility and
6 creative process, then that's part of the process.

7 MR. JIMMY BARNETT: What does no-net
8 loss refer to, the land or money?

9 MR. ED WILLIAMS: Land.

10 MS. JULIE HARDIN: Well, it's --

11 MR. LEE BAKER: You have to --

12 MR. BRUCE SHUPP: We have to speak one
13 at a time or she can't record.

14 FACILITATOR DAVE WAHUS: Let's stop
15 here. We can't just say no-net loss of land, you're
16 either going to have to say no-net loss of public
17 land or you're going to have to say no-net loss of
18 TVA land or adjacent land, you're going to have to
19 have some specificity again, because no-net loss of
20 land can be interpreted in a lot different ways,
21 so --

22 MR. ED WILLIAMS: I'm sorry. It was
23 implied TVA.

24 DR. KATE JACKSON: Well, could we talk

25 about TVA reservoir lands?

1 FACILITATOR DAVE WAHUS: TVA reservoir
2 lands, I see a lot of --

3 MS. JULIE HARDIN: These are public
4 lands, aren't they?

5 DR. KATE JACKSON: Yeah. But I am
6 concerned about the differentiation between power
7 assets and public -- sort of what we traditionally
8 consider reservoir public lands.

9 FACILITATOR DAVE WAHUS: And we can't
10 just talk public lands because the forest service has
11 public lands and the states have public lands, et
12 cetera.

13 Lee, you had a comment.

14 MR. LEE BAKER: I just wanted to be
15 sure I understood the no-net loss. It doesn't
16 necessarily mean that the particular allocation
17 wouldn't experience a net loss, just the overall
18 acres of land, right, I mean, because the --

19 MR. ED WILLIAMS: Right. Yesterday
20 Kate made a good point about having the flexibility,
21 one of which is, and there's a lot of this going on
22 in conservation communities and with these types of
23 lands; and that is, you can do a trade up.

24 You might get a trade for 100 acres

25 that something could be done from a development

1 standpoint that might be palatable with the public
2 and others and this group and you might get a
3 thousand acres that you could preserve adjacent to
4 that. So that's the kind of trade and no-net loss
5 issues that I think are going to come up.

6 DR. KATE JACKSON: So does no-net loss
7 take precedence over the five to seven?

8 MR. PHIL COMER: No.

9 MR. ED WILLIAMS: No, just during that
10 process. As I understand it, what Bruce had put in
11 there was what I was going to do; and that is, you
12 have a strict review period if you change that for
13 the purpose of selling off land.

14 Is that not right, Bruce?

15 MR. BRUCE SHUPP: Yeah.

16 MR. ED WILLIAMS: If you change that
17 plan and that process in the five to seven years
18 before you change the plan itself, if there's a
19 specific project, then at that point you have a
20 strict review process and the no-net loss kicks in.

21 MR. BRUCE SHUPP: You can look at it
22 another way, that the no-net loss can be the
23 overriding philosophy of TVA's public land management
24 policy and that everything else is based on that. So

25 that would mean if you have a review process and

1 you're going to sell off 100 acres, you start looking
2 for a trade-off or require that trade-off besides the
3 sale.

4 MR. ED WILLIAMS: Exactly.

5 MR. BRUCE SHUPP: As a condition of
6 sale, so that's another way to look at it.

7 MR. ED WILLIAMS: Correct.

8 FACILITATOR DAVE WAHUS: Okay. Do
9 y'all feel comfortable with that?

10 DR. KATE JACKSON: Can I ask another
11 question?

12 FACILITATOR DAVE WAHUS: You certainly
13 may. Is it on this same board?

14 DR. KATE JACKSON: Yes. So if -- once
15 we have a reservoir plan, we would say no to every
16 single request that comes in for use of that land
17 that is not consistent with the allocated purpose
18 that's contained in that plan for five to seven
19 years, is that what I heard?

20 MS. MILES MENNELL: No.

21 DR. KATE JACKSON: I'm totally missing
22 it then. That's because I was away. I'm sorry.

23 DR. PAUL TEAGUE: You've got a
24 variance built in.

1 DR. PAUL TEAGUE: I'm sorry.

2 FACILITATOR DAVE WAHUS: Phil.

3 MR. PHIL COMER: What it already says,
4 unless it -- unless the variance passes a strict
5 review process.

6 MR. GREER TIDWELL: And no-net loss of
7 that value for use.

8 MR. PHIL COMER: Qualify it.

9 FACILITATOR DAVE WAHUS: Paul, do you
10 have anything else?

11 DR. PAUL TEAGUE: No.

12 FACILITATOR DAVE WAHUS: Kate, did
13 that answer your question?

14 DR. KATE JACKSON: No. I mean, I
15 guess -- could you give us some feedback on exactly
16 what criteria would be appropriate enough for a
17 variance? And that's exactly the issue we currently
18 have.

19 FACILITATOR DAVE WAHUS: Bruce.

20 MR. BRUCE SHUPP: I think what we're
21 doing, Kate, is stating that we think that the
22 variance would be -- should be issued only if the
23 criteria is safety or very broad public benefits,
24 very broad public benefits, like a utility line or a

25 sewer line or a whatever, but we would expect you to

1 develop the details on what would constitute those.

2 DR. KATE JACKSON: And the no-net loss
3 criteria is based -- is to be applied on the
4 variance.

5 MR. ED WILLIAMS: For purposes of
6 those two points that we were trying to bring in to
7 one point, that Bruce tried to combine the two
8 dealing with the flexibility issue, the answer to
9 that is yes. Overall I think there ought to be
10 no-net loss policy also.

11 MR. BRUCE SHUPP: I do, too.

12 MR. ED WILLIAMS: And if there is an
13 overall no-net loss policy, then the flexibility --
14 you don't have the flexibility to get around it. I
15 think it's a bigger picture than that -- those two
16 sentences.

17 DR. KATE JACKSON: What does everyone
18 else think?

19 FACILITATOR DAVE WAHUS: W. C. and
20 then Jimmy.

21 MR. W. C. NELSON: The no-net loss,
22 you know, sounds great, but if you're in Union
23 County, Georgia where over 50 percent of the land
24 area is public land, then a few acres, you know,

25 going to some other use is no big deal. So no-net

1 loss to our area is -- is not a factor. Now, I can
2 see where it would be in some areas, but not in North
3 Georgia because we have -- some of the counties have
4 as much as 80 percent public land.

5 MR. PHIL COMER: Swain County is 85
6 percent.

7 MR. W. C. NELSON: That's the one I
8 was referring to.

9 FACILITATOR DAVE WAHUS: Jimmy and
10 then Miles.

11 MR. JIMMY BARNETT: Okay. Bruce, you
12 mentioned utility lines, whether they be power lines
13 and water lines and that sort of thing. The city
14 doesn't own enough land to trade out for something
15 like that and you're talking about -- well, a sewer
16 output, you're going to have to -- you're not taking
17 any land, you're just running it out in the water.

18 MR. BRUCE SHUPP: But that would be a
19 variance.

20 MR. JIMMY BARNETT: For a power line
21 across, say, the TVA reservation there in -- around
22 Sheffield and Muscle Shoals, why would we run across
23 there unless to serve some particular load that TVA
24 has already agreed that could be there?

MR. BRUCE SHUPP: I don't know.

1 MR. JIMMY BARNETT: Or across your
2 power lines, we don't take it that's an easement, so
3 we're not taking the land in that case. That has no
4 bearing. So all we're asking for is an easement.

5 MR. BRUCE SHUPP: Well, I misspoke. I
6 was just trying to give examples of what would be
7 something that would go through the --

8 MR. JIMMY BARNETT: I have to fight
9 that every day. That's the reason I wanted to be
10 very specific that, hey, we're taking easements --
11 you know, some of the sticks in the box of sticks of
12 land ownership, not all of them, so if you're taking
13 all of them, that's one thing. If you're only taking
14 a portion of them, that's something entirely
15 different.

16 FACILITATOR DAVE WAHUS: Miles.

17 MS. MILES MENNELL: I just want to ask
18 a question also about the no-net loss. If we're
19 talking about no-net loss as an overriding policy
20 Valley-wide of the policy we're encouraging TVA to
21 adopt, then why -- it doesn't have to be no-net
22 loss -- you don't have to replace land that's taken
23 in a specific community or county, it would seem to
24 me that the no-net loss would apply -- I may lose

25 five acres in Union County but I may make them up in

1 Sullivan County --

2 MR. LEE BAKER: Absolutely.

3 MS. MILES MENNELL: -- or in Shelby
4 County. So it's not county or community specific.

5 MR. BRUCE SHUPP: That's thinking on a
6 watershed basis, Miles and it's very good.

7 MS. MILES MENNELL: So we're doing an
8 overall comprehensive approach to the thing, and
9 we're saying if TVA has a thousand acres in public
10 lands we want them to always have a thousand acres in
11 public lands.

12 MR. BRUCE SHUPP: Excellent.

13 FACILITATOR DAVE WAHUS: Jimmy, did
14 you still have yours up?

15 MS. MILES MENNELL: And maybe that's
16 appropriate or --

17 FACILITATOR DAVE WAHUS: Take a
18 breather for a minute, our recorder is down. Miles,
19 continue on.

20 MS. MILES MENNELL: And maybe we need
21 to modify that also, and I just throw that out as a
22 point of discussion, but I do think theoretically or
23 philosophically the no-net loss would seem to me to
24 apply on a region-wide basis.

FACILITATOR DAVE WAHUS: So now it's

1 been modified that says, no-net loss of TVA reservoir
2 land Valley-wide.

3 MR. ED WILLIAMS: Yeah. And that's
4 what I intended originally, not to box it in to
5 having a contiguous tract but that it would be a
6 Valley-wide issue just like -- well, I used the
7 example of wetlands mitigation.

8 The best wetlands mitigation example
9 is taking wetland dollars that's going to be in a
10 shopping center in West Knoxville where all the frogs
11 and turtles get run over by all the shoppers and the
12 18 wheelers and putting it into cranberry bogs that
13 protect the endangered bog turtle in Shady Valley,
14 and that's being done with wetlands, put it where it
15 makes sense when you're going to do a trade or a land
16 swap so that we don't incur any net loss and we look
17 for lands that are more important than the ones that
18 we're losing if we're going to, in fact, lose some.

19 FACILITATOR DAVE WAHUS: Can I see a
20 general nod of agreement on adding the Valley-wide?

21 DR. KATE JACKSON: Can I ask a
22 clarifying questions again?

23 FACILITATOR DAVE WAHUS: You certainly
24 may.

DR. KATE JACKSON: And I am apparently

1 being incredibly thick-headed? Is the no-net loss to
2 apply to variance or to apply to all TVA reservoir
3 lands?

4 MR. ED WILLIAMS: While you were out
5 we tried to figure out this flexibility that I think
6 you brought, Kate, and how we would do that with a
7 variance or what we would recommend with a variance,
8 and we were trying to combine an overall policy with
9 a variance that provided the flexibility. In
10 discussing that, I brought up the no-net loss issue.
11 I think it's a bigger picture issue. I'd just as
12 soon it be no-net loss of TVA reservoir land
13 Valley-wide, period, end of discussion.

14 DR. KATE JACKSON: And that's what you
15 have said and that's what Miles has said, and what I
16 am trying to get is a clear picture of what this is
17 saying.

18 MR. ED WILLIAMS: Well, you don't have
19 that policy right now, we haven't adopted that, but
20 if you're going to have this five to seven year plan
21 and have variances where you're trying to sell off
22 some of the lands, then maybe we're earmarked for
23 preservation, then in the process of doing that, that
24 no-net loss would kick in. We haven't adopted that

25 in this or in the overall Valley-wide big plan.

1 DR. KATE JACKSON: Okay.

2 FACILITATOR DAVE WAHUS: Paul and then
3 W. C. and then Steve and then Jimmy.

4 DR. PAUL TEAGUE: It's very difficult
5 for me to accept no-net loss. What about Jimmy's
6 town, Bill Forsyth, W. C., these little towns don't
7 have a huge budget, what if they need to look at some
8 land that is no use to TVA basically and wanted to
9 put a little park on it or want it for industrial
10 development, you mean they are going to have to pay
11 the ransom to go somewhere else and buy land for
12 turtles, mice, rats, or what-have-you? It just
13 doesn't make sense because Jimmy doesn't have a big
14 budget in his small town to have to go buy land
15 somewhere else. It doesn't make sense to me.

16 FACILITATOR DAVE WAHUS: W. C.

17 MR. W. C. NELSON: Paul just explained
18 exactly what I was going to say. I don't think that
19 the no-net loss should apply, especially to
20 variances, if you've applied for a variance. I think
21 overall TVA should strive to have no-net loss, but I
22 want to put it in -- chisel it in stone.

23 FACILITATOR DAVE WAHUS: Okay. Steve
24 and then Jimmy and then Ed.

DR. STEPHEN SMITH: Well, I think the

1 concept is a good one. I am not sure that I would
2 necessarily say that -- I mean, I think there should
3 be some caveat that if you're going to do no-net loss
4 that it try to focus in the area -- I mean, I
5 understand that you -- you know, the point that Ed
6 brought up, that, you know, there are better lands
7 than other lands, but what I would not want to see is
8 that you basically continually erode away public
9 lands in one reservoir and then you stack them up in
10 another.

11 I think there should be an attempt to
12 try to have public lands in the reservoir first and
13 that, you know, only if you have to go outside to a
14 completely separate reservoir would you do it
15 Valley-wide, but I think the concept is sound. I
16 think there really needs to be a protection for the
17 public lands that are in the reservoirs.

18 FACILITATOR DAVE WAHUS: Thank you.
19 Jimmy and then Ed.

20 MR. JIMMY BARNETT: Okay. My comment
21 goes a lot to what Paul was saying, where do I get a
22 trade-off, if we need some land where does Sheffield
23 get a trade-off for a park, for example. Now, a park
24 could be a whole lot of things, recreation. I

25 wouldn't call it economic development, a park, but if

1 we wanted something for economic development and it
2 was sitting there and it was idle land, it had -- it
3 was not wetlands, it had no -- didn't have much
4 diversity on it, now, if it's got an archeological
5 site, that's self-explanatory. If it's got some --
6 and there's not many places that doesn't have some
7 sort of critters on them, I will agree with that. It
8 may be bacteriological and molecular in size, but
9 they are probably there.

10 I am trying to wrestle in my own mind
11 with, okay, what is a good piece of land to have.
12 And, Ed, I agree, there are different values of land,
13 even from an ecological standpoint. There's some
14 places that are very ecologically variable. Our
15 subcommittee talked about that quite at length, and I
16 will have something talking about no-net loss later
17 on on a particular policy -- on a recommendation we
18 made.

19 I am wrestling with the fact that if
20 there's no way TVA -- if they have got a thousand
21 acres now or whatever it is, 230,000, if they can't
22 get rid of one acre, I guess I have got a problem
23 with it, for whatever reason.

24 FACILITATOR DAVE WAHUS: Okay. Ed,

25 Greer, and then we're going to see where everybody

1 stands on this issue.

2 MR. ED WILLIAMS: Let me clarify this
3 a little bit further and put one more qualifier in
4 there. I think what we're really talking about is
5 the process and reservoir land planning zones and
6 those kinds of things that don't get changed
7 arbitrarily.

8 Let's put an additional qualifier on
9 there, which would include only zone three and zone
10 four. I did not mean to state that the lands that
11 have already been earmarked for industrial use,
12 recreation, developed recreational use --

13 DR. KATE JACKSON: That solves my
14 problem.

15 MR. ED WILLIAMS: Okay. Zone three
16 and four are the lands I think we're all really
17 talking about, and as the conversation that didn't
18 get thrown in there, but zone three and four are the
19 ones we don't want to see changed. The others have
20 already been earmarked for development and can be
21 sold, and I don't see that there needs to be a no-net
22 loss policy for that.

23 FACILITATOR DAVE WAHUS: Zone three
24 and four are --

MR. ED WILLIAMS: Those are the

1 sensitive resource management and natural resource
2 conservation designation.

3 FACILITATOR DAVE WAHUS: Greer.

4 MR. GREER TIDWELL: No.

5 FACILITATOR DAVE WAHUS: Phil.

6 MR. PHIL COMER: This is to that
7 point. Within the last two weeks you have advertised
8 for sale in the News Sentinel a three-acre plot, I
9 have no idea where it is, and buildings on it for 600
10 and something thousand dollars. I assume that is
11 some maintenance facility.

12 DR. KATE JACKSON: It's Singleton Lab.
13 It was a radiological lab.

14 MR. PHIL COMER: I would assume that
15 we're not talking about that.

16 DR. KATE JACKSON: We're not talking
17 about that.

18 MR. PHIL COMER: You can obviously
19 sell that.

20 MR. ED WILLIAMS: Zones three and four
21 are already earmarked for no development.

22 FACILITATOR DAVE WAHUS: How many of
23 you -- and I am going to ask for a show of hands, how
24 many of you --

MR. PAUL TEAGUE: Wait a minute. That

1 X's out no-net loss if you --

2 FACILITATOR DAVE WAHUS: No. It means
3 no-net loss in zone three or four only.

4 MR. PHIL COMER: And that helps your
5 point. That's beneficial to your point.

6 MR. PAUL TEAGUE: Okay.

7 FACILITATOR DAVE WAHUS: I would like
8 to see a show of hands on the no-net loss statement
9 up there, how many can support that, the no-net loss
10 for zones three and four only. Leave them up so I
11 can get a count. One, two, three, four, five, six,
12 seven, eight, nine, ten. I see eleven hands.

13 Let's go to the next one then, and
14 this says that TVA should consider lands owned by
15 others when developed -- when developing reservoir
16 lands -- land plans for TVA property.

17 Now, I have a question for you. As I
18 reviewed this, who are the others? What other land
19 are we talking about? How far back from the
20 reservoir?

21 TVA should consider lands owned by
22 others for developing a -- developing reservoir land
23 plans for TVA property.

24 Any geographic boundaries that we

25 should be looking at there? What was your intent

1 as -- when you came to that conclusion?

2 Jimmy.

3 MR. JIMMY BARNETT: I have a question
4 on the word, should that be where or when?

5 FACILITATOR DAVE WAHUS: Probably when
6 could work, yeah, not a problem. Do we -- did you
7 have a geographic boundary in mind?

8 Stephen.

9 DR. STEPHEN SMITH: A logical would be
10 the actual watershed itself or the reservoir, I mean,
11 that's -- that to me encompasses most of the impacts
12 that you're going to experience relative to the
13 watershed itself, the reservoir. So at least
14 evaluating how TVA's choice of using, you know, its
15 lands in the context that it is -- it defines itself
16 is very important.

17 FACILITATOR DAVE WAHUS: So TVA should
18 consider all lands with -- owned by others within the
19 watershed? TVA should consider lands owned by others
20 within the watershed when developing reservoir land
21 plans for TVA property, is that --

22 DR. STEPHEN SMITH: If I understand
23 correctly, they already do that to some degree. I
24 mean, if I understood the way you select the

25 designations is by, you know, looking at what is

1 happening around it, I think it's a reaffirmation of
2 that, and then possibly looking for partnerships to,
3 you know, to combine. I think there's been a lot of
4 very creative work done in land acquisition, you
5 know, through conservation easements and some of the
6 other groups, and I think TVA should be encouraged to
7 continue to have their lands go into that context.

8 FACILITATOR DAVE WAHUS: Paul.

9 DR. PAUL TEAGUE: What does it mean
10 TVA should consider lands, No. 1?

11 No. 2, they have got absolutely no
12 control on anything that's behind them because that's
13 private property the majority of the time. So what
14 does -- I don't even understand what the sentence
15 means when you say they should consider, why should
16 Kate consider my private property behind the TVA
17 easement? What consideration should she give me? I
18 just don't understand the correlation, if you will.

19 FACILITATOR DAVE WAHUS: Greer.

20 MR. GREER TIDWELL: I can give the
21 why. The why is because the Act requires TVA to
22 foster, not just do, but to foster orderly and proper
23 physical, economic, and social development of said
24 areas. So what EPA does on its land has an impact

25 around it. And part is an example and part is a

1 leader of what other development might happen and
2 part is a seed for other development that might
3 happen. So in the -- the Act gives us the
4 responsibility to foster these things. So I think
5 they need to consider the other land around them.

6 FACILITATOR DAVE WAHUS: Stephen.

7 DR. STEPHEN SMITH: And I think that,
8 you know, clearly if you're going to have a -- if TVA
9 chooses to have an area for, you know, recreation or
10 people to go hiking or whatever and then right beside
11 it is some, you know, large industrial facility
12 that's incredibly noisy, I mean, you have got to take
13 into context how TVA uses the land and what it does.

14 I mean, I think those are important
15 decisions because I guess there are some land use
16 patterns that are impacted by what is happening
17 around it. So I think it's basically a statement
18 that, you know, you look at your decisions in the
19 context that they are found.

20 FACILITATOR DAVE WAHUS: And as I
21 listen hearing you talk, I'm interpreting this as
22 saying that they need to take into consideration what
23 is on the land adjacent or within the watershed, but
24 then I don't believe this says that they are going --

25 they are going to be dictating to any of those other

1 owners, landowners --

2 MR. PAUL TEAGUE: They can't.

3 FACILITATOR DAVE WAHUS: -- what they
4 do with the land, and I don't think this is saying
5 that. So I just -- it appeared to me that there was
6 maybe some confusion.

7 Bruce.

8 MR. BRUCE SHUPP: I think it's a good
9 idea, but I just wonder if we're not going a little
10 too far because there's a lot of things we could also
11 say about other things they do when undergoing the
12 review process for the reservoir plan. So, you know,
13 we could say lots of things they should do, but I
14 think this is just one of them. I think you can
15 assume that this will be done because of the public
16 review process.

17 FACILITATOR DAVE WAHUS: What's your
18 preference?

19 Phil.

20 MR. PHIL COMER: Well, Greer can speak
21 to this also. I think when we engage in zoning
22 decisions this enters into it. What you were trying
23 to talk about, serving on a zoning board as Greer
24 does, we do consider, you know, contiguous property

25 and we don't locate an industrial site right in the

1 middle of residential, et cetera. I mean, I assume
2 this is the kind of thing you're talking about, they
3 should consider that, the same as normal community
4 zoning we do now.

5 FACILITATOR DAVE WAHUS: So what's the
6 preference of the Council on this particular vote,
7 this issue?

8 MR. BRUCE SHUPP: I think it's
9 something that's not as strong as some of the other
10 statements we make and not as definitive and I think
11 we should take it out.

12 FACILITATOR DAVE WAHUS: Ed. How
13 many -- let's see some indication, how many wants
14 that -- this particular bullet taken out?

15 MR. GREER TIDWELL: Can I say
16 something else. Leave three, four, and five, and
17 take everything else out.

18 FACILITATOR DAVE WAHUS: Take
19 everything from this point down. Let's go at them
20 one at a time. You're talking about leaving --

21 MR. GREER TIDWELL: Yeah. My point is
22 if we -- to me there's sort of a category of comments
23 in there that are on a different level, and I
24 absolutely agree, this is on a different level than

25 the one above it and the one above it. I just want

1 everybody to know that I agree this is a different
2 level of comment.

3 FACILITATOR DAVE WAHUS: Well, let's
4 look at each one of those on an individual basis so
5 everybody can comment without feeling railroaded.

6 So the one that is highlighted up
7 here, the general concurrence, that that would be
8 removed? I see one hand, two, three, four, five,
9 six, seven, eight, nine. Let's see the hands again.
10 Ten. So we have over half of those that are here.

11 Public lands are a limited resource.
12 If you leave this one in, you need to have some kind
13 extension, public lands are a limited resource,
14 standing by itself it really doesn't say much. And
15 because it's a limited resource, you want to do what?
16 You want to protect it or you want to get rid of it
17 or what do you want to do? So just stating it's a
18 limited resource doesn't --

19 MR. ED WILLIAMS: It's stating the
20 obvious.

21 MR. BRUCE SHUPP: Take it out.

22 MR. LEE BAKER: Take it out.

23 FACILITATOR DAVE WAHUS: Take it out.

24 Okay. The term economic development should be

25 redefined in today's terms.

1 MR. BRUCE SHUPP: Can I make a
2 suggestion for this one?

3 FACILITATOR DAVE WAHUS: Bruce.

4 MR. BRUCE SHUPP: A suggestion for
5 this would be to move it up and elevate it to No.
6 3 -- No. 4, I'm sorry, and reword it to say that TVA
7 should redefine economic development based on its
8 role today as both an economic partner and as the
9 natural resource steward of the Tennessee Valley.
10 That sort of sets a tone for things to come.

11 FACILITATOR DAVE WAHUS: TVA should
12 redefine economic development -- let's stop a minute.
13 Go ahead.

14 MR. BRUCE SHUPP: Based on its role
15 today as both an economic partner and as the natural
16 resource steward of the Tennessee Valley. Then what
17 would follow would be the clear planning process, da,
18 da, da, da.

19 FACILITATOR DAVE WAHUS: Then we come
20 down here, there you go. Wonderful spellcheck there.

21 MR. BRUCE SHUPP: That's a suggestion.
22 Discussion?

23 FACILITATOR DAVE WAHUS: What do
24 you-all think?

Lee, when I get in your way, motion me

1 so you can see.

2 MR. LEE BAKER: You're fine. Thank
3 you.

4 FACILITATOR DAVE WAHUS: Objection?
5 Okay. I hear none.

6 Let's go down then to TVA should take
7 a region wide comprehensive look at TVA public land.

8 Comment? Stay? Go? Revise --

9 MR. W. C. NELSON: I think the next
10 two should go. They are already covered above.

11 FACILITATOR DAVE WAHUS: Okay. You
12 think those last two should go. Any objections?

13 MS. JULIE HARDIN: I think we need a
14 comprehensive policy for how we manage TVA's public
15 lands, is that said anywhere in there? It was
16 certainly recommended over and over in our public
17 comments today.

18 FACILITATOR DAVE WAHUS: Need a
19 comprehensive policy on the management of TVA lands.
20 Bruce.

21 MR. BRUCE SHUPP: I think we have --
22 we have defined an overall philosophy, and that's the
23 no-net loss without defining it as a no-net loss,
24 but, I mean, that's what it really is.

FACILITATOR DAVE WAHUS: So if we were

1 to take out the last three bullets here then, is that
2 the preference of the Council?

3 MR. LEE BAKER: Good for me.

4 FACILITATOR DAVE WAHUS: I see a yes.

5 MS. JULIE HARDIN: I am not sure I
6 want to lose that critical look of proposals for
7 residential development.

8 MR. LEE BAKER: It says the same
9 thing.

10 FACILITATOR DAVE WAHUS: Let's take
11 the first two then and we will come back and discuss
12 it. Need a comprehensive policy and TVA should --
13 yeah, highlight those two, would you, Laura? Yeah,
14 there you go. Concurrence in taking those out? I
15 have a minority opinion there. I have about four
16 members that really don't want to take that out. So
17 let's take -- let's move that and put that down under
18 the minority opinion item.

19 Thank you.

20 Now, the last one there was -- TVA
21 should take a critical look at the proposals for
22 residential development on TVA land as economic
23 development. Julie, do you have something to say
24 here? And then we will take a look at what the

25 preferences of the Council are.

1 MS. JULIE HARDIN: Are you asking me
2 if I want to take it out or leave it in?

3 FACILITATOR DAVE WAHUS: You indicated
4 an objection to take it out.

5 MS. JULIE HARDIN: Right.

6 FACILITATOR DAVE WAHUS: I wanted to
7 know if you had anything further to say on that?

8 MS. JULIE HARDIN: No.

9 FACILITATOR DAVE WAHUS: What is the
10 preference of the Council?

11 Lee.

12 MR. LEE BAKER: You know, I think the
13 bullet that you worked on in talking about the filter
14 and the variances and the process you go through, I
15 think actually that says the same thing, it seems to
16 me. So I don't have a problem with it coming out.

17 MR. BRUCE SHUPP: I agree.

18 FACILITATOR DAVE WAHUS: Greer.

19 MR. GREER TIDWELL: I think there's
20 something different there. We have had a fair amount
21 of discussion on the difference in private
22 residential development as a sort of lower grade in
23 general of public good for economic development.
24 That doesn't mean it can't happen, it doesn't mean we

25 need to look at it, but there's -- when you're

1 talking about giving something to a private developer
2 to make residential houses on it, I've heard a lot of
3 comment in this group that says, gee, that doesn't
4 sound right to me off the bat. Now, maybe it can
5 proven in a particular area that that's what's
6 needed, but it's an extra hurdle beyond another
7 shipping port or some other kind of general economic
8 development.

9 DR. STEPHEN SMITH: Did we do this
10 yesterday? I thought we went around and took a
11 survey of the group and saw that that's a majority
12 opinion.

13 FACILITATOR DAVE WAHUS: We did get a
14 general survey, but now we've heard from the public
15 and it's time for us to relook at these to see if you
16 still agree based on the new information that you
17 might have taken from the public. So I am -- for
18 that reason, what is your preference? How many want
19 to leave it in as it is right now? One, two, three,
20 four, five -- yes. Go ahead, Jackie.

21 MS. JACKIE SHELTON: Before we do
22 this, could we go up to TVA must have a clear
23 planning process and criteria. TVA should take a
24 critical look at proposals for residential

25 development of TVA land, doesn't that -- does the

1 clear planning process and criteria, would that cover
2 that?

3 MS. JULIE HARDIN: No, I don't think
4 so.

5 FACILITATOR DAVE WAHUS: Some are
6 saying no.

7 Tom.

8 MR. THOMAS GRIFFITH: I see two things
9 there with that statement, and I think we should
10 probably take it out.

11 One thing that we heard from the
12 people, the landowners and property owners, where is
13 it, Tellico or wherever, that didn't want that
14 development, that residential development, and I see
15 us probably somewhat endorsing that type of
16 development as economic development in that area,
17 whether it is or not I don't know, but I think when
18 we discuss that what we talked about was maybe Jimmy
19 mentioned or maybe it was W. C. that 50 or 100 new
20 houses in their area would be economic development,
21 and it is. It is as far as Jimmy is concerned
22 selling electricity. It is, as far as whoever
23 mentioned it, as far as lowering taxation.

24 I think that was -- as I recall,

25 that's where we were coming from and what I see us

1 doing, and maybe we should or shouldn't. I really
2 think probably we need to stay out of it because we
3 don't know much about this development down your way
4 there, Phil, but I think that TVA should take a
5 critical look at the proposals of residential
6 development on TVA land as economic development. I
7 think we have really already said that up there in
8 the --

9 FACILITATOR DAVE WAHUS: We have --
10 just a moment, Steve. We can move that down to the
11 minority opinion. Obviously we have about five
12 members who feel very strongly and the other members
13 feel just as strongly in the other direction. So we
14 could move that to a minority opinion.

15 Steve.

16 DR. STEPHEN SMITH: Wait. I would
17 like to make sure that everybody weighs in on this
18 because it was -- to me I heard very clearly from the
19 elected official that it's questionable about whether
20 residential land was actually an economic development
21 thing or not. I mean, this was an elected official
22 in Loudon County saying that, and I heard very
23 clearly from the public.

24 I mean, it's almost as if we're going

25 backwards from where we were yesterday when, yet, we

1 heard overwhelming from the public today that there
2 is some real reasons why TVA should take a critical
3 look at this. It's like this group is backtracking
4 in a negative way from what they actually heard from
5 the public today.

6 And, you know, I know that yesterday
7 Austin voted for this, keeping this kind of stuff in,
8 and I just want to make sure that everybody
9 understands that, you know, this is a -- you know,
10 this is a real retreat and it is diametrically
11 opposed to what we heard from the public.

12 FACILITATOR DAVE WAHUS: Jackie and
13 then Lee.

14 MS. JACKIE SHELTON: You know, I
15 think -- did we not discuss this and we decided that
16 private homes were not -- didn't fall within the
17 upper category of economic development and that we
18 wanted to really put a halt to that as much as
19 possible, did we not do this?

20 DR. STEPHEN SMITH: We did this
21 yesterday.

22 MS. JACKIE SHELTON: That's what I was
23 thinking.

24 DR. STEPHEN SMITH: That's what I'm

25 saying, if you take this out or move it to the

1 minority opinion, when yesterday it was clearly a
2 majority opinion, then that's actually a reversal.

3 FACILITATOR DAVE WAHUS: Okay. Lee,
4 and then Ed, then we're -- we will ask you to decide
5 what you want to do.

6 Jackie, would you put your tent down,
7 please? Thank you.

8 Lee.

9 MR. LEE BAKER: I kicked Austin when
10 he voted that way anyway.

11 FACILITATOR DAVE WAHUS: Is that why
12 he left?

13 MR. LEE BAKER: Well, no, I don't
14 think it is. But he lamented that he didn't have any
15 that would fit that category anyway.

16 So, you know, I think the housing
17 development -- you know, there wasn't an elected
18 official from my county saying that, and I think for
19 us to sit here and claim to have such infinite wisdom
20 that we take the place of the process; and that is,
21 the people, they go through the reservoir plan.

22 You know, I think maybe they might be
23 in a better position to make that decision when they
24 go through the process. Let them go through the

25 process. We're not that smart, I don't think.

1 You know, I think they are better
2 equipped for it. I think it can go in the minority,
3 but I sure don't -- we would like to see that type of
4 development in our area. It would be a big help.
5 Somebody this morning -- you know, you can't believe
6 everything you hear. Somebody said we had had 10
7 percent growth, I can guarantee you we hadn't had it.
8 So I don't know -- you know, numbers are easy to
9 throw around. Frequently they are not right.

10 FACILITATOR DAVE WAHUS: Ed, and then
11 we're going to make a decision.

12 MR. ED WILLIAMS: I just wanted to
13 point out that this is not a prohibition against
14 residential development, it's just asking TVA to take
15 a critical look at that.

16 MR. LEE BAKER: I think they will do
17 that.

18 FACILITATOR DAVE WAHUS: You always do
19 that to me. Paul and then Bruce.

20 MR. PAUL TEAGUE: Senator Byrd of West
21 Virginia one time said, one man's pork is another
22 man's bacon, and that is in conjunction with what Lee
23 said. That's bacon to Lee in Decatur County and
24 Nelson in Forsyth County, it's bacon. To you-all it

25 may be pork.

1 FACILITATOR DAVE WAHUS: I am going to
2 call on Bruce and then I am going to call on Miles.
3 Go ahead.

4 MR. BRUCE SHUPP: That's all I was
5 going to say is that all this says is they should
6 take a critical look, and I don't think that's
7 damming exercise. And it does vary among the
8 geographic areas of the Valley, and I think that's
9 why it's important to take a critical look. What's
10 valuable in North Georgia is not necessarily going to
11 be valuable in Loudon County.

12 FACILITATOR DAVE WAHUS: Miles.

13 MS. MILES MENNELL: Would it be
14 advantageous up there where it says, TVA must have a
15 clearing planning process and criteria, do we want to
16 insert, TVA must have a clear and consistent planning
17 process and criteria or is that redundant or does
18 that help resolve some of that, to insert the word
19 consistent?

20 FACILITATOR DAVE WAHUS: I'm looking
21 to you to tell me what you think of her suggestion.

22 MR. PAUL TEAGUE: I recommend you take
23 a vote.

24 FACILITATOR DAVE WAHUS: W. C.

MR. W. C. NELSON: I don't agree with

25 50/50.

1 DR. STEPHEN SMITH: You need to take a
2 quick vote the other way. If Austin was here he'd
3 say the other way.

4 MR. LEE BAKER: I disagree. I
5 disagree. Don't speak for Austin.

6 DR. STEPHEN SMITH: I saw how he voted
7 yesterday.

8 MR. LEE BAKER: I talked to him too,
9 Steve.

10 DR. STEPHEN SMITH: But he was on the
11 record yesterday as keeping this in.

12 MR. LEE BAKER: I talked to him.

13 DR. STEPHEN SMITH: You're
14 misrepresenting him. I saw what he voted.

15 FACILITATOR DAVE WAHUS: Ladies and
16 gentlemen, actually there are 15 of you, if you count
17 again. So that will go to the minority position.

18 MR. BRUCE SHUPP: Let's move on.

19 FACILITATOR DAVE WAHUS: We have spent
20 an hour now of the 20-minute period that we had. So
21 let's quickly review. We do have four minority
22 opinions.

23 One, TVA should provide technical
24 assistance for economic and land use planning to

25 local entities. We have not talked about that yet.

1 It's the only one of these we have not talked about.

2 Do you still agree that that should
3 stay there?

4 Okay. I'm seeing no objection. Let's
5 then go to the next page, Laura.

6 MR. GREER TIDWELL: We have taken the
7 one thing that we heard basically 100 percent of the
8 public comment on, which is a comprehensive look at
9 public lands Valley-wide, and shifted it from
10 something that there was pretty -- I heard a strong
11 consensus on yesterday and shifted it to a minority
12 opinion, which is going to generate among the public
13 a perception that what we have done is --

14 MS. JULIE HARDIN: Not listened.

15 MR. GREER TIDWELL: -- rejected, not
16 ignored, but rejected what they have told us is very
17 important to them in terms of our role to go to the
18 Board.

19 DR. STEPHEN SMITH: I completely
20 agree. I mean, this whole process is really screwy,
21 you know, that you basically engage the public and
22 then you turnaround and do exactly the opposite of
23 what they want, you know, and you make a decision --
24 you know, we sort of talked about something yesterday

25 and then we turnaround and completely undermine it,

1 it's --

2 FACILITATOR DAVE WAHUS: W. C.

3 MR. W. C. NELSON: I would just like
4 to say, I would like to move on with the program.
5 We're running out of time. We have already spent too
6 much time on this now.

7 FACILITATOR DAVE WAHUS: Let's go to
8 No. 2 rather.

9 DR. KATE JACKSON: Can I just make one
10 point of reminder for everyone? You are encouraged
11 to listen to the public views and incorporate those
12 public views into your contemplation. You are also
13 responsible under the Federal Advisory Committee Act
14 and by the appointment by the TVA Board to this
15 Council to represent your constituencies, just bear
16 that in mind.

17 FACILITATOR DAVE WAHUS: Question No.
18 2 is: How should TVA quantify the contributions of
19 its management of multipurpose lands in the
20 watershed?

21 Your tentative responses are -- or
22 were economic development should include ecotourism.
23 The value of open land differs between reservoirs.
24 Every reservoir is different, but a common

25 understanding of values is needed for the entire

1 system. I think it's TVA should place a high
2 priority on having clean water at all reservoirs.

3 And the H on the end of reservoir
4 should probably be gone on the second line there.
5 Thank you.

6 Quantification should include runoff,
7 water quality, air quality, open space, quality of
8 life, and biodiversity, include the value of the
9 power system. That's the power generation system, I
10 assume. Recognize the value of land for other
11 species and habitat conservation and quantify the
12 value of -- I think that ROW is rights-of-way
13 management.

14 Jimmy.

15 MR. JIMMY BARNETT: Where it says,
16 include the value of the power generation system.

17 FACILITATOR DAVE WAHUS: Yes.

18 MR. JIMMY BARNETT: Just for the sake
19 of deregulation make that also and transmission
20 systems.

21 FACILITATOR DAVE WAHUS: And
22 transmission systems. Power generation and
23 transmission systems.

24 MR. BRUCE SHUPP: Does that include

25 distribution?

1 MR. JIMMY BARNETT: TVA does not have
2 any distribution.

3 FACILITATOR DAVE WAHUS: Is that a
4 test, Bruce, to see -- do you concur with these --
5 with these responses?

6 I see one nod of the head. I see
7 several nods of the head. Do I see anyone shaking
8 their heads that they don't --

9 MR. LEE BAKER: May I ask a question?
10 And I think Greer was the one that insisted on the
11 statement. Greer, give me a little sense of what
12 you're trying to accomplish on the -- the quantify
13 the value of rights-of-way management.

14 FACILITATOR DAVE WAHUS: Greer has
15 stepped out just for a moment.

16 MR. PHIL COMER: That's too bad. He
17 loses.

18 MR. LEE BAKER: I am not quite sure
19 what we're trying to accomplish there because that
20 does bring in another element that's beyond the scope
21 of what I thought we were dealing with here at this
22 venue, but, you know, maybe he can tie it some way.

23 FACILITATOR DAVE WAHUS: If you want
24 to wait just a moment. Is there -- other than that

25 issue, that last question, and we will get Greer to

1 answer that, is there any discussion on any other
2 aspect of this?

3 DR. KATE JACKSON: What does the third
4 one from the bottom mean? I've forgotten.

5 FACILITATOR DAVE WAHUS: Include the
6 value of power generation and transmission systems.

7 MR. JIMMY BARNETT: TVA quantify the
8 contributions of its management of multipurpose land,
9 well, we were talking about it in the value of the
10 power generation transmission systems. You have
11 power lines going across property that is multi-use,
12 and that sort of thing. I just wanted -- the value
13 of that, if it wasn't there, then you wouldn't have
14 to go out there and disturb the critters that are out
15 there or the biodiversity that's out there, but if
16 you need to get that power line back up, you need to
17 get it back up because they need power.

18 FACILITATOR DAVE WAHUS: So the value
19 of power generation system transmission lines needs
20 to be put into the equation?

21 MR. JIMMY BARNETT: Yeah, that's what
22 I am saying.

23 FACILITATOR DAVE WAHUS: Did that
24 answer your question, Kate?

1 FACILITATOR DAVE WAHUS: Do you want a
2 follow-up question?

3 DR. KATE JACKSON: Do you want the
4 value of the power assets quantified or the value of
5 the Valley being electrified quantified? That's what
6 I am struggling with.

7 MR. THOMAS GRIFFITH: Electrified,
8 that's what you're talking about, isn't it, Jimmy?

9 MR. JIMMY BARNETT: I'm talking about
10 the overall thing. I don't think we -- you know,
11 we're talking about all of these other things, but I
12 want to go back and include in as part of TVA's
13 mission the power system, power generation
14 distribution system, to make sure that it's tied in
15 with all of this process also, that it's not
16 forgotten, that's basically what I am saying.

17 DR. KATE JACKSON: Thank you.

18 MR. JIMMY BARNETT: It has a value and
19 I want it to be recognized as such.

20 MR. PAUL TEAGUE: Since he went on, I
21 will go ahead and talk. Jimmy, what you're really
22 saying is it should not ignore, is that not the word,
23 you should not ignore that?

24 MR. JIMMY BARNETT: You can say it

25 either way, positive or negative.

1 FACILITATOR DAVE WAHUS: Greer?

2 MR. GREER TIDWELL: Yes, sir.

3 FACILITATOR DAVE WAHUS: We have a
4 question that has been posed, and you're the only
5 person that has the answer to the question, but the
6 last item up here on question No. 2 the response was,
7 quantify the value of rights-of-way management.
8 Would you explain to us -- I believe you brought that
9 up. Would you explain again to the group what you
10 meant by that? You can take a few minutes to review
11 it and think about it.

12 MR. GREER TIDWELL: Thanks. I will.

13 FACILITATOR DAVE WAHUS: That was this
14 morning during the first session.

15 MR. GREER TIDWELL: My point there is
16 that -- my point there is that -- the point that we
17 all concurred in yesterday, let's start there, is
18 that TVA has a lot of public -- a lot of land
19 management influence through all of these
20 right-of-way which they manage to some extent. It's
21 not their land, they can't control it specifically,
22 but they have got a lot of opportunity for land
23 management through their management of the
24 rights-of-ways. And to ignore that 200,000 acres of

25 potential influence while we're talking about land

1 management is to ignore something that can be very
2 positively quantified and have a very positive value
3 to the whole Valley, that's what I am -- I think it
4 needs to be into the process -- it needs to be built
5 into the process of quantifying the contributions of
6 this management on land and the water.

7 FACILITATOR DAVE WAHUS: Did that
8 answer your question, Lee?

9 MR. LEE BAKER: No, not really. It
10 sounded like lawyer talk.

11 MR. GREER TIDWELL: Hey, Lee, I will
12 give you something real straight and specific then.
13 If Bridgestone/Firestone had a legal responsibility
14 to go out and put Armor All on everybody's tires who
15 bought our tires three times a year, four times -- I
16 mean, every three or four years, we would take
17 advantage of that opportunity to try to sell them
18 another tire. TVA has got to do the same thing on
19 all of this right-of-way land, and they need to take
20 advantage of that in their overall role in the
21 Valley.

22 MR. LEE BAKER: I am not sure I
23 completely disagree, Greer. I just -- the
24 right-of-way issue is one from my perspective falls

25 under the power aspect. I am not sure how it fits --

1 how it would sink into this group because I'm not
2 sure what responsibility they have.

3 It's like we talk -- you know, I do
4 think they should be, and, in fact, I think they are
5 in most cases responsible for those rights-of-way,
6 but I see those rights-of-way as under some other
7 department head and under some other bailiwick. I am
8 not necessarily saying that what you're saying is
9 incorrect. I just don't see how we reach over here
10 and pull it in and tie it into this as being logical.

11 How would TVA deal with that statement
12 in the context of your authority?

13 DR. KATE JACKSON: And we talked a
14 little bit about this at lunch. The Charter
15 specifically identifies the focus of the Council to
16 be on stewardship activities.

17 Last Council, you-all provided some
18 recommendations on rights-of-way management, which I
19 think I identified at that point was external to the
20 Charter of the Council but that I would represent as
21 honestly as I could those issues, and we did that.

22 The transmission organization has met
23 with -- did meet with the land subcommittee and they
24 are working in partnership with lots of folks looking

25 at indigenous species, looking at TWRA partnerships.

1 You can make this recommendation. It
2 is external to the Charter of the Council. I will,
3 again, try to honestly broker your advice back to the
4 transmission organization, but I wouldn't say it's
5 specifically under the purview of the Council.

6 FACILITATOR DAVE WAHUS: Jimmy.

7 MR. JIMMY BARNETT: I'm sorry.

8 FACILITATOR DAVE WAHUS: Greer.

9 MR. GREER TIDWELL: I don't think it's
10 valuable for us to feel boxed in by these legalistic
11 terms that say stewardship activities is somehow
12 defined in some new law that cuts off our
13 appropriations and lose the opportunity to tell the
14 Board that, hey, you know, keep an eye on this part,
15 too. Maybe there is some value there that you can
16 get the public to recognize in TVA's operations for
17 land management.

18 FACILITATOR DAVE WAHUS: Bruce.

19 MR. BRUCE SHUPP: Greer, let me throw
20 another wrinkle at that; and that is, if it is not
21 germane to this issue, why not pull it out and use
22 the attention on the strong points of this -- our
23 responsibility in this stewardship issue?

24 MR. GREER TIDWELL: I completely

25 disagree that it's not germane to this issue. I

1 think it's right on target to this issue despite some
2 legalistic phrase of stewardship activities. TVA
3 impacts those lands. It has a chance to get some
4 value and some perceived value in the public and how
5 it's dealing with those lands and right-of-ways.
6 It's like a lot of things, I am making a
7 recommendation that I think would be a good business
8 opportunity for TVA, and, you know, I am awfully
9 happy with where we have gotten to so far.

10 FACILITATOR DAVE WAHUS: What's the
11 preference of the Council on this particular bullet?
12 Do you want to leave it where it is?

13 MS. JULIE HARDIN: Yes.

14 FACILITATOR DAVE WAHUS: Can I have a
15 show of hands? I see nine, so that's the majority.
16 We will leave it where it is.

17 So we will go on then to No. 3. Did
18 somebody say wait a minute?

19 MS. JULIE HARDIN: Can I make a
20 comment quickly, clarifying comment to Kate?

21 Kate, I think some of these public
22 comment people today were my constituency.

23 DR. KATE JACKSON: Oh, I totally agree
24 with you. I just want to make sure we are clear on

25 all of your roles. Absolutely they were.

1 MS. JULIE HARDIN: I think
2 representing them in decisions that this Council
3 makes is one of our biggest roles.

4 DR. KATE JACKSON: Sure.

5 MS. JULIE HARDIN: Okay. Thank you.

6 FACILITATOR DAVE WAHUS: Kate, we're
7 going to be moving along because I want to give you
8 some time to do your presentation.

9 Question No. 3 is two parts. Are the
10 land -- lands planning processes that TVA uses
11 understandable and effective?

12 And second, are there other land
13 management models that would be more effective for
14 TVA?

15 In your responses this morning just
16 before the public input period, the TVA land
17 management process is impressive. Stakeholder
18 education is a continuing challenge, need to define
19 how to educate the public. The Community Appeals
20 Boards may be a model to look at and consider. TVA
21 should work with RC&D councils. Conservation
22 easement use should be expanded.

23 TVA should -- does have an effective
24 shoreline management policy, but the use of the

25 United States Army Corps of Engineers' model may

1 provide additional ideas that TVA could possibly use.
2 And one of those that somebody mentioned was having
3 the permit number actually affixed to the dock. I am
4 not suggesting by using that as an example now that
5 that is one you want to consider, but that was one
6 that was mentioned this morning.

7 What is the preference of the Council?

8 Do you have any discussion on any of
9 these points?

10 Do you concur that this is the
11 response that you want to go with?

12 I am seeing nods around the table.
13 Not hearing any objection, giving everyone one last
14 chance. Paul, Steve, Jackie, W. C., Miles, Ed,
15 Greer, Michele, Karl, Phil, Jimmy, Julie. Okay.

16 Then, Mr. Chairman, you have the
17 responses to three sets of questions. I thank
18 you-all for your time and your diligence. You made
19 my job easy because you're so easy to work with.

20 Thank you.

21 MR. BRUCE SHUPP: Thank you, Dave.
22 Good job. Good job to all of you. Appreciate it.
23 Now we have two -- one item of business, and then our
24 closing, and the closeout of the first-term Council

25 is Kate's next agenda item.

1 DR. KATE JACKSON: Yep. I wanted to
2 do what we have been doing with the Council
3 recommendations from the last Council, which is
4 coming back with our written responses to you to
5 discuss those.

6 At your final meeting in January you
7 recommended a final set of recommendations to TVA.
8 They address water use management and federal
9 appropriations.

10 The first recommendation was water use
11 management, and I will read -- do you guys have
12 these? They are in there.

13 The first one was to take leadership
14 on water management and regulatory issues by
15 convening water based partnerships to provide
16 coordinated education planning among states, federal
17 agencies, public and private water users,
18 stakeholders, and interested parties.

19 Our response is that TVA agrees with
20 the Council's recommendation and will consider
21 establishing a water quantity management initiative
22 to facilitate additional discussions among all
23 interested parties within the basin. Such an
24 initiative would be aimed at improving communication

25 and education and planning related to long-term water

1 quantity management.

2 And we are currently working with the
3 U.S. Geological Survey to establish a basis for
4 additional collaboration among various state and
5 federal agencies and water users to ensure long-term
6 sustainability for surface and ground water resources
7 in the region.

8 Any discussion? Questions?

9 No. 2, you recommend that we should
10 initiate and coordinate research into the extent of
11 future stresses and demands on the basin water
12 supplies, and we agree with that. As part of ongoing
13 Reservoir Operations Study we will complete a water
14 supply assessment of existing and projected water
15 uses in all the reservoirs and connecting river
16 reaches affected by TVA's reservoir operations.

17 The results of this assessment will be
18 documented and referenced as a part of the ROS and
19 will provide a basis for determining the areas within
20 the watershed likely to come under stress due to a
21 potential lack of future water supply. The ROS will
22 contemplate water use planning growth projections
23 through 2030. However, it will not include
24 additional contemplation for interbasin transfer.

So what it's looking at is the

1 existing permitted uses and projected uses of the
2 basins' water but not additional -- I mean, not
3 Atlanta or Birmingham, for example. So the only
4 significant interbasin transfer is the TenTom, that's
5 the biggest one, and that's in there.

6 Questions?

7 MR. JIMMY BARNETT: If Atlanta or
8 Birmingham comes up, then that will be handled as a
9 separate case?

10 DR. KATE JACKSON: Right. That, you
11 know, will obviously involve significant state
12 interface. The State of Tennessee, the State of
13 Alabama all have permitting requirements for
14 interbasin transfer. So that will be a much bigger
15 and more involved examination. But for the base case
16 assumptions for the ROS, we are not contemplating
17 that.

18 MR. BRUCE SHUPP: Any other questions?

19 DR. KATE JACKSON: I'm not done yet.

20 MR. BRUCE SHUPP: I know.

21 DR. KATE JACKSON: Oh, okay. No. 3,
22 you recommend that we should continue to make
23 judicious use of our authority to manage waters and
24 to provide water supply, hydropower, navigation, and

25 irrigation while providing for the stewardship of

1 fisheries, biodiversity, water quality, and natural
2 resources.

3 We agree, while also noting the need
4 to continue to manage water releases for flood
5 control and to make water available for our cooling
6 of our thermal electric plants. We will continue to
7 balance the continued demands on the waters of the
8 basin to maximize the potential value to
9 stakeholders.

10 Questions?

11 The Council's other recommendation
12 concerned a reinstatement of federal appropriations,
13 and you recommended that we have reinstated federal
14 appropriations in support of the traditional and
15 essential national -- natural resource stewardship
16 programs and the operation and maintenance of federal
17 infrastructures, such as dams and locks.

18 You noted that it was outside the
19 Charter to make recommendations directly to Congress,
20 but recommended that as soon as the timing is
21 appropriate the TVA Board requests Congress to
22 reinstate federal appropriations.

23 TVA's response is that when Congress
24 eliminated TVA appropriations it specifically

25 identified the other funds that -- other than federal

1 appropriations that TVA is to use for essential
2 stewardship responsibilities. It's essentially the
3 same response to that same recommendation that we
4 made in the previous round.

5 Questions? Comments?

6 MR. GREER TIDWELL: Can I ask a
7 process question now? Am I missing where these are
8 given to us in writing or has that not been done?

9 DR. KATE JACKSON: That has not been
10 done. Typically what we have done is reviewed them
11 with you. If you had significant outstanding
12 concerns or issues, we would try to modify our
13 response or maybe -- you, in one case, and Jimmy is
14 going to talk about it in a minute, have modified the
15 recommendation to TVA, and then we provide it to you
16 once the Board has formally approved and once we get
17 the comments on our comments is pretty much how our
18 standard operating procedure has been.

19 MR. PHIL COMER: There are minutes.

20 DR. KATE JACKSON: Of course. But we
21 also formally send them to you from the Board to you.
22 We're just not there yet in this particular instance.

23 MR. BRUCE SHUPP: Is that it? Okay.

24 Finished.

MR. JIMMY BARNETT: I guess I have a

1 question. The one on improving biodiversity, is that
2 something that I should just report on?

3 DR. KATE JACKSON: Yes.

4 MR. JIMMY BARNETT: Mr. Chairman, the
5 water quality subcommittee in the past Council, the
6 first-term Council, also talked about recommending to
7 TVA a policy in improving biodiversity in the
8 Tennessee River System. It generated a lot of
9 discussion and some heartburn on the part of the TVA
10 folks because we had in there the no-net loss policy.

11 Those of you on the first term, I
12 think you-all remember a lot of the discussion. I
13 know the water quality subcommittee had a lot of
14 discussion and then the Council had a lot of
15 discussion.

16 The no-net loss particular provision
17 though, Kate, correct me if I am wrong, but according
18 to the minutes that I read and reviewed just a moment
19 ago, there was some -- I think you used the term
20 heartburn, which is probably right about saying that
21 now, even though you knew what we were talking about,
22 we knew what we were talking about, what would
23 somebody five years from now, ten years from now,
24 what would they say or what could legally be defined

25 as a no-net loss policy, like we had some

1 conversations a moment ago.

2 So we came back and said this,
3 actually, we took that particular phrase out.
4 Everything was the same in this thing except for
5 bullet No. 1, I think I am correct on saying that,
6 bullet No. 1 now says, maintain the current levels of
7 biodiversity in the Tennessee River System by meeting
8 its obligations under the Clean Water Act and the
9 Endangered Species Act by continuing its efforts --
10 existing efforts on behalf of native species,
11 biodiversity, and by adopting policies to not
12 knowingly undertake activities that would just
13 jeopardize the continued existence of native species
14 insofar as practical.

15 Now, we tried to use that terminology
16 in the introductory paragraph for the recommendation.
17 So by putting it in there twice and leaving out the
18 no-net loss thing and saying, to not knowingly
19 undertake activities that would jeopardize a
20 continued existence of native species insofar as
21 practical is what -- based on some comments by some
22 subcommittee members, Axel in particular, who helped
23 draft this in the first place and everybody get an
24 opportunity on the subcommittee to at least see it

25 beforehand, I have heard no real jumping up and down

1 screaming, this is what I am proposing back to this
2 particular Council.

3 The other bullets in there, I don't
4 think there was a problem with them from the first
5 Council at all. I think there was just no problem
6 with that. Everybody bought that. This was the only
7 particular bullet that we had the problem with that.

8 Is that correct, Kate?

9 DR. KATE JACKSON: I think that's
10 right.

11 MS. JULIE HARDIN: I think we had
12 problems with insofar as practical, we had big
13 problems with that.

14 MR. PHIL COMER: Big problems.

15 MS. JULIE HARDIN: Because who
16 determines practical?

17 MR. JIMMY BARNETT: Well, we had the
18 problem with the no-net loss and insofar as
19 practical. On the subcommittee we had a problem with
20 the no-net loss path and this part, too.

21 I guess it's my comment as one member
22 of the Council only, not speaking for the
23 subcommittee, just speaking as one member of the
24 Council, that I like this because, again, it sets the

25 philosophy out there in saying, here's what we

1 recommend that you do.

2 Now, when you say practical, yeah, of
3 course, you can get Barry to look at each word on
4 here and he can give you a different definition than
5 Lee or I or Paul or Phil or anybody else could, but
6 by saying this, this is a thrust and what is
7 practical today or practical for me might not be
8 practical for you, so I don't know how to define
9 that.

10 MR. PHIL COMER: We spent five hours
11 on that and finally agreed that that was good
12 language.

13 MR. JIMMY BARNETT: That was what I am
14 saying, taking out that one thing, no-net loss, I
15 think, was where the problem was, but having insofar
16 as practical in two different places there, in the
17 opening statement, plus this bullet, I guess I
18 recommend that we adopt that particular thing.

19 MR. BRUCE SHUPP: Normally we would
20 have a motion, but we don't do motions here. If I
21 can -- is there anybody that would show a hand that
22 would not accept this recommendation of the water
23 quality subcommittee?

24 Okay. We have consensus. We accept

25 your good work again. Thank you, Jimmy. Appreciate

1 it. So that's an accepted recommendation going to
2 the Council, and we will get feedback on that next
3 meeting probably.

4 DR. KATE JACKSON: If not before. I
5 mean, we may do it in writing beforehand.

6 MR. BRUCE SHUPP: Any other business,
7 Kate?

8 DR. KATE JACKSON: Nope.

9 MR. BRUCE SHUPP: All right. The only
10 things remaining to decide are the -- is talk about
11 the next meeting, and there's -- Kate will have
12 some -- we will ask her for some views on that.
13 We're talking about frequency of meetings and timing
14 of meetings and then the locations of meetings.

15 Kate, would you talk to us about
16 frequency?

17 DR. KATE JACKSON: Well, what we had
18 talked about was four or five meetings. And so we
19 are thinking that, you know, we will probably go
20 several months between one meeting and another one,
21 not the way we did last time, a meeting every other
22 month. It will again be a two-day meeting. We
23 assume that the topic will probably be water supply,
24 but we haven't talked about that internally. I mean,

25 the other topics that we had talked about with many

1 of you are either water supply or recreation.

2 MS. JULIE HARDIN: May I ask again, as
3 I did last year, why we never talk about the quality
4 of air in our area?

5 DR. KATE JACKSON: Because that is not
6 a stewardship program of TVA's.

7 MS. JULIE HARDIN: Because air is not
8 a natural resource?

9 DR. KATE JACKSON: Is it not a natural
10 resource that the stewardship program covers.

11 MR. BRUCE SHUPP: Discussion?

12 MR. ED WILLIAMS: Can we go ahead and
13 set some dates for these meetings on out instead of
14 finding out sort of late in the game?

15 DR. KATE JACKSON: Yes, we will work
16 on that, and we will work on getting the material to
17 you earlier than we did this time.

18 MR. JIMMY BARNETT: Water supply.
19 What was the other one?

20 DR. KATE JACKSON: Recreation.

21 MR. PHIL COMER: And the location will
22 be Knoxville, again, of course.

23 MR. BRUCE SHUPP: That's up for
24 discussion. I travel further for these meetings than

25 anybody and Knoxville is as far -- well, Nashville is

1 just as far, and Kentucky, of course.

2 DR. KATE JACKSON: We could go to
3 Johnson City.

4 MR. BRUCE SHUPP: But I think this is
5 a good location for a couple of reasons. One, it's
6 very convenient for TVA staff. Two, the hotel is
7 fine. I mean, I think this is a good hotel. It's
8 easy to get in and out of the city. So we have an
9 option, we can move around like we did before or we
10 can come here on a routine base to help TVA out.

11 What's your wishes? Discussion?

12 MS. JULIE HARDIN: Let's stay here.

13 MR. THOMAS GRIFFITH: I would like
14 Huntsville.

15 MR. PAUL TEAGUE: I think it's more
16 economical and more convenient to stay here.

17 MR. BRUCE SHUPP: So let's put it this
18 way, the next meeting will be here. After that we
19 will make a decision. All right.

20 DR. KATE JACKSON: Fine.

21 MR. BRUCE SHUPP: David, anything in
22 the order?

23 FACILITATOR DAVE WAHUS: I just want
24 to do one more thing. I would like you to help me

25 thank Laura Duncan. She was the one that was running

1 the computer that was showing the information on the
2 screen. I think it was very helpful to me and I hope
3 it was helpful to you. Laura, thank you very much.

4 MR. BRUCE SHUPP: Anything else?

5 MR. THOMAS GRIFFITH: When are you
6 thinking about a meeting, Kate?

7 DR. KATE JACKSON: We haven't talked
8 about that internally. I suspect it will be spring.

9 MR. THOMAS GRIFFITH: Spring?

10 DR. KATE JACKSON: Spring.

11 MR. BRUCE SHUPP: I thank you-all.
12 You were excellent. Good job. We'll see you next
13 time. Have a Merry Christmas and Happy New Year.

14 END OF MEETING

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REPORTER'S CERTIFICATE

STATE OF TENNESSEE)
 : SS.
COUNTY OF KNOX)

I, Kimberly J. Nixon, RPR, the officer before whom the foregoing meeting was taken, do hereby certify that the foregoing transcript was reduced to typewriting by me; and that the transcript was prepared under my supervision, and attached to this certificate is a true, accurate and complete transcript, as provided by law;

That we are neither counsel for, related to, nor employed by any of the parties to this action; and we further certify that we are not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action; and that the foregoing transcript is complete and accurate in all particulars, as provided by law.

In witness whereof, I have hereunto set my hand this _____ day of _____, 2003.

KIMBERLY J. NIXON, RPR
NOTARY PUBLIC IN AND FOR THE
STATE OF TENNESSEE AT LARGE.
MY COMMISSION EXPIRES APRIL 24,
2004.

